

SECOND REGULAR SESSION

HOUSE BILL NO. 1688

91ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES O'CONNOR, NAEGER, ROSS (Co-sponsors), FOLEY,
RELFORD, BURTON, RIZZO AND WAGNER.

Read 1st time January 29, 2002, and 1000 copies ordered printed.

TED WEDEL, Chief Clerk

3276L.011

AN ACT

To repeal sections 301.550, 301.553, 301.555, 301.557, 301.559, 301.560, 301.561, 301.562, 301.563, 301.564, 301.565, 301.566, 301.568, and 301.573, RSMo, relating to the sale of motor vehicles and vessels, and to enact in lieu thereof nineteen new sections relating to the same subject, 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301.557, 301.559, 301.560, 301.561, 2 301.562, 301.563, 301.564, 301.565, 301.566, 301.568, and 301.573, RSMo, are repealed and 3 nineteen new sections enacted in lieu thereof, to be known as sections 301.550, 301.551, 4 301.553, 301.554, 301.555, 301.557, 301.559, 301.560, 301.561, 301.562, 301.563, 301.564, 5 301.565, 301.566, 301.567, 301.568, 301.569, 301.571, and 301.573, to read as follows:

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

3 (1) **"Board", the Missouri motor vehicle board;**

4 (2) "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] **pursuant** 10 **to** sections 301.550 to 301.573. The boat dealer shall demonstrate eligibility for renewal of [his] 11 **said** license by selling six or more vessels or vessel trailers or both in the prior calendar year

EXPLANATION — Matter enclosed in bold faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

12 while licensed as a boat dealer pursuant to sections 301.550 to 301.573;

13 [(2)] (3) "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)] (4) "Department", the Missouri department of [revenue] **economic development**;

18 [(4)] (5) "Director", the **executive** director of the Missouri [department of revenue]
19 **motor vehicle board**;

20 (6) **"Division", the division of professional registration**;

21 [(5)] (7) "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 [(6)] (8) "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 [(7)] (9) "Motor vehicle dealer" or "dealer", any person who, for commission or with an
35 intent to make a profit or gain of money or other thing of value, sells, barter, exchanges, leases
36 or rents with the option to purchase, or who offers or attempts to sell or negotiates the sale of
37 motor vehicles or trailers whether or not the motor vehicles or trailers are [owned by such
38 person; provided, however, an individual auctioneer or auction conducted by an auctioneer
39 licensed pursuant to chapter 343, RSMo, shall not be included within the definition of a motor
40 vehicle dealer. The sale of six or more motor vehicles or trailers in any calendar year shall be
41 required as evidence that such person is engaged in the motor vehicle business and is eligible for
42 licensure as a motor vehicle dealer under sections 301.550 to 301.573;] **purchased or owned
43 by, or titled in the name of, such person. This term includes, without limitation, new motor
44 vehicle franchise dealers, used motor vehicle dealers, powersport dealers, and trailer
45 dealers. This term does not include:**

46 (a) **An individual auctioneer licensed pursuant to chapter 343, RSMo, conducting**
47 **sales on behalf of a public or wholesale motor vehicle auction;**

48 (b) Any financial institution authorized to do business under federal or state law
49 which, in the normal course of its business, takes title to vehicles by reason of foreclosure
50 or repossession as a result of loans secured by a lien on such vehicles;

51 (c) Business entities dealing solely in the sale and distribution of fire-fighting
52 equipment, ambulances, and funeral vehicles, including motor vehicles adapted therefor;

53 (d) Receivers, trustees, administrators, executors, guardians, conservators or other
54 persons appointed by or acting under judgment or order of any court, including employees
55 of such persons acting within their specific scope of employment;

56 (e) Any employee of an organization arranging for the purchase or lease by the
57 organization of vehicles for use in the organization's business;

58 (f) Any insurance company authorized to do business in this state that sells or
59 otherwise disposes of vehicles in its ordinary course of business;

60 (g) Any credit union authorized to do business in this state, provided the credit
61 union does not receive a commission, money, or other thing of value directly from a motor
62 vehicle dealer;

63 (h) Any office or agency of this state when selling or otherwise disposing of vehicles
64 procured for use in official state business;

65 (i) A person selling no more than four motor vehicles per calendar year which are
66 titled in that person's name, if, prior to sale, such motor vehicles were used by the seller
67 exclusively for personal, family, or household purposes and if any profit derived from such
68 sales is merely incidental and the seller's primary intent in making the sale was not to
69 receive any profit or income from the sale;

70 (10) "Motor vehicle salesperson" or "salesperson", any person who is employed
71 as a salesperson by a motor vehicle dealer to sell or exchange motor vehicles, including any
72 person licensed as a motor vehicle dealer and who sells or exchanges motor vehicles;

73 [(8)] (11) "New motor vehicle", any motor vehicle being transferred for the first time
74 from a manufacturer, distributor or new vehicle dealer which has not been registered or titled in
75 this state or any other state and which is offered for sale, barter or exchange by a dealer who is
76 franchised to sell, barter or exchange that particular make of motor vehicle. The term "new
77 motor vehicle" shall not include manufactured homes, as defined in section 700.010, RSMo;

78 [(9)] (12) "New motor vehicle franchise dealer", any motor vehicle dealer who has been
79 franchised to deal in a certain make of motor vehicle by the manufacturer or distributor of that
80 make and motor vehicle and who may, in line with conducting [his] business as a franchise
81 dealer, sell, barter or exchange used motor vehicles;

82 [(10)] (13) "Person" includes [an individual] any natural person, a partnership,
83 corporation, an unincorporated society or association, joint venture, limited liability company,

84 or any other entity;

85 **(14) "Powersport dealer", any motor vehicle dealer who sells, either pursuant to**
86 **a franchise agreement or otherwise, primarily motor vehicles including but not limited to**
87 **motorcycles, all-terrain vehicles, and personal watercraft, as those terms are defined in this**
88 **chapter and chapter 306, RSMo;**

89 [(11)] **(15) "Public motor vehicle auction", any person, firm or corporation who takes**
90 possession of a motor vehicle whether by consignment, bailment or any other arrangement,
91 except by title, for the purpose of selling motor vehicles at a public auction by a licensed
92 auctioneer;

93 [(12)] **(16) "Storage lot", an area, within the same city or county where a dealer may**
94 store excess vehicle inventory;

95 **(17) "Trailer", any trailer as defined in section 301.010;**

96 [(13)] **(18) "Used motor vehicle", any motor vehicle which is not a new motor vehicle,**
97 as defined in sections 301.550 to 301.573, and which has been sold, bartered, exchanged or given
98 away or which may have had a title issued in this state or any other state, or a motor vehicle so
99 used as to be what is commonly known as a secondhand motor vehicle. In the event of an
100 assignment of the statement of origin from an original franchise dealer to any individual or other
101 motor vehicle dealer other than a new motor vehicle franchise dealer of the same make, the
102 vehicle so assigned shall be deemed to be a used motor vehicle and a certificate of ownership
103 shall be obtained in the assignee's name. The term "used motor vehicle" shall not include
104 manufactured homes, as defined in section 700.010, RSMo;

105 [(14)] **(19) "Used motor vehicle dealer", any motor vehicle dealer who sells used motor**
106 **vehicles and who is not a new motor vehicle franchise dealer;**

107 [(15)] **(20) "Vessel", every boat and watercraft defined as a vessel in section 306.010,**
108 **RSMo;**

109 [(16)] **(21) "Vessel trailer", any trailer, as defined by section 301.010 which is designed**
110 **and manufactured for the purposes of transporting vessels;**

111 [(17)] **(22) "Wholesale motor vehicle auction", any person, firm or corporation in the**
112 **business of providing auction services solely in wholesale transactions at its established place**
113 **of business in which the purchasers are motor vehicle dealers licensed by this or any other**
114 **jurisdiction, and which neither buys, sells nor owns the motor vehicles it auctions in the ordinary**
115 **course of its business. Except as required by law with regard to the auction sale of a government**
116 **owned motor vehicle, a wholesale motor vehicle auction shall not provide auction services in**
117 **connection with the retail sale of a motor vehicle;**

118 [(18)] **(23) "Wholesale motor vehicle dealer", a motor vehicle dealer who sells motor**
119 **vehicles only to other new motor vehicle franchise dealers or used motor vehicle dealers or via**

120 auctions limited to other dealers of any class.

121 2. For purposes of sections 301.550 to 301.573, neither the term "motor vehicle" nor the
122 term "trailer" shall include manufactured homes, as defined in section 700.010, RSMo.

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

124 (1) Boat dealers;

125 (2) Franchised new motor vehicle dealers;

126 (3) Used motor vehicle dealers;

127 (4) Wholesale motor vehicle dealers;

128 **(5) Powersport dealers;**

129 **(6) Public motor vehicle auctions;**

130 **(7) Wholesale motor vehicle auctions;**

131 [(5)] **(8) Recreational motor vehicle dealers;**

132 [(6)] **(9) Historic motor vehicle dealers; and**

133 [(7)] **(10) Classic motor vehicle dealers[; and**

134 **(8) Motorcycle dealers].**

**301.551. 1. If, in any retail sale by a dealer of a used motor vehicle which is not a
2 commercial motor vehicle as defined in this chapter, for use on highways and which is
3 normally used for personal, family, or household use, the dealer offers an express warranty
4 on such vehicle, the dealer shall provide the buyer with full written disclosure of such
5 warranty. Compliance with this subsection may be had by completing in full the Buyer's
6 Guide as required by federal law, and, in addition, obtaining the buyer's signature and
7 date of sale on the Buyer's Guide and incorporating same as a part of the buyer's order or
8 bill of sale.**

**9 2. Subject to the laws of this state, a dealer may sell a used motor vehicle at retail
10 "as is" and exclude all warranties only if, prior to sale, the dealer provides the buyer with
11 a separate written disclosure as to the effect of an "as is" sale. Such written disclosure
12 shall be conspicuous and shall be attached to or placed on the buyer's order or bill of sale,
13 and shall be signed by the buyer prior to sale. The disclosure shall be printed in bold, not
14 less than ten-point type and contain the following statement: "I understand that this
15 vehicle is being sold "AS IS" with all faults and is not covered by any dealer warranty. I
16 understand that the dealer is not required to make any repairs to this vehicle after I
17 purchase it. I understand that I will be responsible for paying the costs of any repairs this
18 vehicle will need."**

**19 3. Failure to provide the disclosures required by this section shall be deemed a
20 cause for discipline pursuant to section 301.562. Compliance with such requirements shall
21 constitute a rebuttable defense to any civil claim brought by a purchaser or the attorney**

22 **general pursuant to chapter 407, RSMo, or any such claim based on common law fraud,**
23 **if such claim is based in whole or in part upon allegations that the dealer concealed or**
24 **failed to disclose a known or unknown material defect in the vehicle.**

301.553. 1. **There is hereby created the "Missouri Motor Vehicle Board" in the**
2 **division of professional registration within** the department of [revenue] **economic**
3 **development which** shall be responsible for the licensing of all manufacturers, motor vehicle
4 dealers, **motor vehicle salespersons,** boat dealers, wholesale motor vehicle auctions, public
5 motor vehicle auctions and wholesale motor vehicle dealers pursuant to the provisions of
6 sections 301.550 to 301.573 and the rules and regulations which it may adopt.

7 2. All the powers, duties and functions of the Missouri [motor vehicle commission,]
8 **department of revenue granted pursuant to section 301.280 and** sections 301.550 to 301.573,
9 in effect immediately prior to [July 1, 1997] **August 28, 2002,** are transferred by type I transfer,
10 as provided in the Omnibus State Reorganization Act of 1974, to the **Missouri motor vehicle**
11 **board within the** department of [revenue] **economic development.** [The rules and regulations
12 adopted by the commission which were adopted pursuant to this section prior to July 1, 1997,
13 shall continue in effect after July 1, 1997.]

14 3. **The board shall be composed of nine members, who shall be appointed by the**
15 **governor with the advice and consent of the senate, not more than five of whom shall be**
16 **affiliated with the same political party. Members of the board shall be citizens of the**
17 **United States and residents of this state for at least five years prior to their appointment.**
18 **Five members shall be franchised new motor vehicle dealers; three members shall be used**
19 **motor vehicle dealers; and one member shall be a public member who shall have no**
20 **pecuniary interest in any entity regulated by the provisions of sections 301.550 to 301.573.**

21 4. **The members of the board shall be appointed for a term of four years, except**
22 **that from the initial appointments, the governor shall designate three members to serve**
23 **two-year terms, three members to serve three-year terms, and three members to serve four-**
24 **year terms. Thereafter, each member shall be appointed for a four-year term. Each**
25 **member shall serve until the expiration of such member's term or until a successor is duly**
26 **appointed and qualified. Any vacancy on the board shall be filled by the governor with the**
27 **advice and consent of the senate, for the duration of the unexpired term.**

28 5. **The board shall elect a president and secretary at the first regular meeting held**
29 **after January first of each year. The board shall meet at such times as it may determine,**
30 **but the board shall meet at least quarterly. Special meetings may be held upon call of the**
31 **president upon adequate notice given by the director to the members of the board. To**
32 **conduct business, a quorum of at least five members of the board must be present. Board**
33 **members shall receive no salary or other compensation for their service as members, but**

34 shall receive their necessary travel and other expenses incurred while actually engaged in
35 performing their official duties.

36 6. The board shall adopt an official seal, which shall consist of the official seal of
37 the state of Missouri bordered by the inscription "Missouri Motor Vehicle Board".

38 [3.] 7. All orders or decisions of the [department] board shall be in writing, signed by
39 the director and the official seal affixed thereto.

40 [4.] 8. The [department] board shall have the authority to promulgate those rules and
41 regulations necessary to perform the provisions of sections 301.550 to 301.573 and is vested with
42 those powers and duties necessary and proper to enable it to fully and effectively carry out the
43 provisions of sections 301.550 to 301.573. [No rule or portion of a rule promulgated under the
44 authority of sections 301.550 to 301.573 shall become effective unless it has been promulgated
45 pursuant to the provisions of section 536.024, RSMo.] Any rule or portion of a rule, as that
46 term is defined in section 536.010, RSMo, that is created under the authority delegated in
47 this section shall become effective only if it complies with and is subject to all of the
48 provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section
49 and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general
50 assembly pursuant to chapter 536, RSMo, to review, to delay the effective date or to
51 disapprove and annul a rule are subsequently held unconstitutional, then the grant of
52 rulemaking authority and any rule proposed or adopted after August 28, 2002, shall be
53 invalid and void.

54 9. The powers and duties of the board shall include, but not be limited to, the
55 following:

56 (1) Establishing the qualifications of applicants for licensure, provided that all
57 qualifications shall be necessary to ensure competence and integrity;

58 (2) Examining, or cause to be examined, the qualifications of each applicant for
59 licensure, including the preparation, administration, and grading of examinations;

60 (3) Licensing qualified applicants pursuant to the provisions of sections 301.550 to
61 301.573;

62 (4) Establishing and collecting fees for licensure and renewal that are sufficient to
63 cover all expenses for the administration and operation of the board;

64 (5) Levying special assessments, as necessary, to cover costs of operating the
65 licensing board;

66 (6) Revoking, suspending, denying, or otherwise disciplining a licensee, or assessing
67 a civil penalty upon a licensee, for just cause pursuant to section 301.562 or enumerated
68 in regulations promulgated by the board;

69 (7) Conducting inspections of licensees to ensure that all licensed dealers and

70 salespersons are conducting business in a professional and lawful manner, not in violation
71 of any provisions of this chapter and chapter 407, RSMo, any regulations duly
72 promulgated by the board, or any other applicable state or federal law;

73 (8) Receiving and investigating complaints concerning the conduct of persons and
74 businesses required to be licensed by the board and to take appropriate disciplinary action
75 if warranted;

76 (9) Entering into contracts necessary for performing the functions of the board;

77 (10) Establishing committees of the board, appointing members to such committees,
78 and promulgating regulations establishing the responsibilities of such committees. The
79 board may at its discretion include a citizen member on any committee established, who
80 shall have no pecuniary interest in any motor vehicle or boat dealership. Any action
81 recommended by a committee shall be subject to prior ratification by the full board prior
82 to implementation. Committees to be established may include, but not be limited to, the
83 following:

84 (a) Advertising;

85 (b) Licensing;

86 (c) Dealer practices;

87 (d) Franchise relations;

88 (e) Dealer/salesperson examination; and

89 (f) Complaint review.

301.554. 1. There is hereby established in the office of the state treasurer a fund
2 to be known as the "Missouri Motor Vehicle Board Fund". All fees of any kind and
3 character, other than fees for the issuance of the license plates and certificates of number
4 authorized by section 301.560, authorized to be charged by the board shall be collected by
5 the director of the division of professional registration and shall be transmitted to the
6 department of revenue for deposit in the state treasury for credit to this fund, to be
7 disbursed only in payment of expenses of maintaining the board and for the enforcement
8 of the provisions of law concerning professions regulated by the board; and no other
9 money shall be paid out of the state treasury for carrying out these provisions. Warrants
10 shall be issued on the state treasurer for payment out of said fund. Fees collected pursuant
11 to section 301.560 for the issuance of dealer license plates and certificates of number shall
12 be transferred to the credit of the department of revenue to offset its costs for the
13 manufacture of such license plates and certificates of number.

14 2. The provisions of section 33.080, RSMo, to the contrary notwithstanding, moneys
15 in this fund shall not be transferred and placed to the credit of general revenue until the
16 amount in the fund at the end of the biennium exceeds two times the amount of the

17 **appropriation from the board's funds for the preceding fiscal year or, if the board by**
18 **regulation permits registration renewal less frequently than yearly, then three times the**
19 **appropriation from the board's funds for the preceding fiscal year. The amount, if any,**
20 **in the fund which shall lapse is that amount in the fund which exceeds the appropriate**
21 **multiple of the appropriations from the board's funds for the preceding fiscal year.**

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

301.557. 1. **The board shall employ an executive director who shall be an attorney**
2 **licensed to practice law in this state and who shall serve at the pleasure of the board. The**
3 **board may employ such other personnel as are required to fulfill its duties and**
4 **responsibilities pursuant to sections 301.550 to 301.573.**

5 **2.** The duties of the **executive** director shall include, but not be limited to:

6 (1) The supervision and direction of the activities of the [department's] **board's**
7 employees;

8 (2) [Keeping custody of the department's official seal and affixing of this seal to all
9 licenses and orders issued by the department pursuant to sections 301.550 to 301.573;

10 (3)] The receipt and prompt disposition of all correspondence or inquiries directed to the
11 [department] **board**;

12 **(3) Being the custodian of the files and records of the board;**

13 **(4) Maintaining all minutes of board proceedings;**

14 **[(4)] (5) Maintaining a record which shall be available for public inspection of the**
15 **total number of annual new motor vehicle sales by individual franchise dealers and a separate**
16 **record of total annual used motor vehicle sales by individual used motor vehicle dealers from**
17 **[the director of revenue. These records will be available for public inspection] dealer sales**
18 **records;**

19 **[(5) Being the custodian of the files and records of the department;]**

20 **(6) Supervising the handling of and disposition of all complaints against licensees**
21 **submitted to the board, and maintaining a log of such complaints to be made available for**
22 **public inspection, subject to applicable law regarding nondisclosure;**

23 **(7) Keeping custody of the board's official seal and affixing of this seal to all**
24 **licenses and orders issued by the board pursuant to sections 301.550 to 301.573;**

25 **(8) The performance of any other duty required in the enforcement of sections 301.550**
26 **to 301.573.**

27 [2. The director shall receive complaints concerning its licensee's business or
28 professional practices. The complaints shall be logged into record, the record shall include at
29 a minimum, the licensee's name, the name of the complaining party, if given, the date of the
30 complaint and a brief statement of the complaint and its ultimate disposition. Notwithstanding
31 any provisions of law to the contrary, such complaint shall be kept in confidence by the director
32 until such time as formal proceedings are filed with the director, or the director disposes of the
33 complaint in accordance with section 301.562; provided that upon inquiry from a licensee against
34 whom a complaint has been received, the director shall acknowledge to the licensee that a
35 complaint has been made. The licensee shall have access to all complaints and information
36 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, **motor vehicle salesperson**, boat dealer, manufacturer, boat manufacturer, public
3 motor vehicle auction, wholesale motor vehicle auction or wholesale motor vehicle dealer
4 without first obtaining a license from the [department] **board** as required in sections 301.550 to
5 301.573. Any person who maintains [or], operates, **or conducts** any business wherein a license
6 is required pursuant to the provisions of sections 301.550 to 301.573, without such license, is
7 guilty of a class A misdemeanor. Any person committing a second violation of sections 301.550
8 to 301.573 shall be guilty of a class D felony. **Any person that has reason to believe that the**
9 **provisions of this section are being violated may file a complaint with the prosecuting**
10 **attorney in the county in which the violation occurred. Upon the filing of such a complaint,**
11 **the prosecuting attorney shall investigate the complaint and take appropriate action.**

12 2. All [dealer] licenses [shall expire on December thirty-first of each year. The
13 department shall notify each person licensed under] **issued pursuant to** sections 301.550 to
14 301.573 [of the date of license expiration and the amount of the fee required for renewal. The
15 notice shall be mailed at least ninety days before the date of license expiration to the licensee's
16 last known business address.] **shall be issued for a period of twelve consecutive months**
17 **except, at the discretion of the board, the periods may be adjusted as is necessary to**
18 **distribute the licenses as equally as practicable on a monthly basis, and the board may, by**
19 **regulation, authorize biennial licensure for all or any class of licenses required pursuant**
20 **to sections 301.550 to 301.573. The expiration date shall be the last day of the twelfth or**
21 **twenty-fourth month of validity or the last day of the designated month. Every license**
22 **shall be renewed annually or biennially by the board on application by the licensee and by**
23 **payment of fees required by law. The renewal shall take effect on the first day of the**
24 **succeeding month. If a material change has occurred from the information appearing on**
25 **a dealer's initial application or previous year's renewal application, the dealer shall notify**
26 **the board of such changes no later than the next renewal. The board shall prescribe a form**

27 **for the disclosure of the changes and shall include in the renewal application a request for**
28 **disclosure of material changes.**

29 3. Every **motor vehicle dealer, motor vehicle salesperson, boat dealer**, manufacturer,
30 boat manufacturer, motor vehicle dealer, wholesale motor vehicle dealer, **public vehicle auction**,
31 wholesale motor vehicle auction, **or** boat dealer [or public motor vehicle auction] shall make
32 application to the [department] **board** for issuance of a license. The application shall be on
33 forms prescribed by the [department] **board** and shall be issued [under] **pursuant to** the terms
34 and provisions of sections 301.550 to 301.573 and require all applicants **except applicants for**
35 **a manufacturer's license**, as a condition precedent to the issuance of a license, to **successfully**
36 **complete an examination prepared and administered by the board. However, any person**
37 **who is licensed as a dealer or auction on August 28, 2002, shall be entitled to licensure**
38 **without examination on application to the board made on or before December 31, 2002.**
39 **In addition, the board shall require all applicants to** provide such information as the
40 [department] **board** may deem necessary to determine that the applicant is bona fide and of good
41 moral character, [except that] **and** every application for a license shall contain, in addition to
42 such information as the [department] **board** may require, a statement to the following [facts]
43 **information:**

44 (1) The name and business address, not a post office box, of the applicant and the
45 fictitious name, if any, under which [he] **such person** intends to conduct [his] business; and if
46 the applicant [be] **is** a partnership, the name and residence address of each partner, an indication
47 of whether the partner is a limited or general partner and the name under which the partnership
48 business is to be conducted. In the event that the applicant is a corporation, the application shall
49 list the names of the principal officers **and board of directors** of the corporation and the state
50 in which it is incorporated. Each application shall be verified by the oath or affirmation of the
51 applicant, if an individual, or in the event an applicant is a partnership or corporation, then by
52 a partner or officer;

53 (2) Whether the application is being made for registration as a manufacturer, boat
54 manufacturer, new motor vehicle franchise dealer, used motor vehicle dealer, **motor vehicle**
55 **salesperson, manufacturer, boat manufacturer**, wholesale motor vehicle dealer, boat dealer,
56 wholesale motor vehicle auction or a public motor vehicle auction;

57 (3) When the application is for a new motor vehicle franchise dealer, the application
58 shall be accompanied by a copy of the franchise agreement in the registered name of the
59 dealership setting out the appointment of the applicant as a franchise holder and it shall be signed
60 by the manufacturer, or [his] **such manufacturer's** authorized agent, or the distributor, or [his]
61 **such distributor's** authorized agent, and shall include a description of the make of all motor
62 vehicles covered by the franchise. The [department] **board** shall not require a copy of the

63 franchise agreement to be submitted with each renewal application unless the applicant is now
64 the holder of a franchise from a different manufacturer or distributor from that previously filed,
65 or unless a new term of agreement has been entered into;

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

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

73 5. No person shall be issued a license to conduct a public motor vehicle auction or
74 wholesale motor vehicle auction if such person has a violation of sections 301.550 to 301.573
75 or other violations of chapter 301, RSMo, sections 407.511 to 407.556, RSMo, or section
76 578.120, RSMo, which resulted in a felony conviction or finding of guilt or a violation of any
77 federal motor vehicle laws which resulted in a felony conviction or finding of guilt.] **Once
78 licensed, no dealer, manufacturer, or motor vehicle auction may terminate and cease its
79 business without providing the board with a minimum of thirty days' prior written
80 notification, except when a license has been suspended or revoked. On termination of
81 business, a licensee shall immediately surrender to the board its license certificate, all
82 salesperson licenses, dealer license plates, sales reports, and any other materials furnished
83 by the board or the department of revenue. After termination of business, the former
84 licensee shall continue to maintain and make available to the board and department of
85 revenue the records described in section 301.564.**

86 **5. The board may adopt regulations specifying additional training or conditions for
87 applicants seeking licensure pursuant to sections 301.550 to 301.573, and for otherwise
88 implementing and enforcing the provisions of this section. Any rule or portion of a rule,
89 as that term is defined in section 536.010, RSMo, that is created under the authority
90 delegated in this section shall become effective only if it complies with and is subject to all
91 of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This
92 section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the
93 general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date or
94 to disapprove and annul a rule are subsequently held unconstitutional, then the grant of
95 rulemaking authority and any rule proposed or adopted after August 28, 2002, shall be
96 invalid and void.**

301.560. 1. In addition to **submitting** the application forms prescribed by the
2 [department] **board**, each applicant shall [submit] **comply with** the [following to the department:

3 (1)] **application requirements set forth in this section.**

4 2. When the application is being made for licensure as a [manufacturer, boat
5 manufacturer,] motor vehicle dealer, boat dealer, [wholesale] **manufacturer, boat**
6 **manufacturer, public** motor vehicle [dealer] **auction**, wholesale motor vehicle auction or [a
7 public] **wholesale** motor vehicle [auction] **dealer**, a certification by a uniformed member of the
8 Missouri state highway patrol 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 authorized 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] **vessels** is in the
12 metropolitan area where the certifying metropolitan police officer is employed, that the applicant
13 has [a bona fide] **an** established place of business. [A bona fide] **For purposes of this section,**
14 **an** established place of business [for any new motor vehicle franchise dealer or used motor
15 vehicle dealer shall include a permanent enclosed building or structure, either owned in fee or
16 leased and actually occupied as a place of business by the applicant for the selling, bartering,
17 trading or exchanging of motor vehicles or trailers and wherein the public may contact the owner
18 or operator at any reasonable time, and wherein shall be kept and maintained the books, records,
19 files and other matters required and necessary to conduct the business. The applicant's place of
20 business shall contain a working telephone which shall be maintained during the entire
21 registration year. In order to qualify as a bona fide established place of business for all applicants
22 licensed pursuant to this section there shall be an exterior sign displayed carrying the name and
23 class of business conducted in letters at least six inches in height and clearly visible to the public
24 and there shall be an area or lot which shall not be a public street on which one or more vehicles
25 may be displayed, except when licensure is for a wholesale motor vehicle dealer, a lot and sign
26 shall not be required. When licensure is for a boat dealer, a lot shall not be required. In the case
27 of new motor vehicle franchise dealers, the bona fide established place of business shall include
28 adequate facilities, tools and personnel necessary to properly service and repair motor vehicles
29 and trailers under their franchisor's warranty;

30 (2) If the application is for licensure as a manufacturer, boat manufacturer, new motor
31 vehicle franchise dealer, used motor vehicle dealer, wholesale motor vehicle auction, boat dealer
32 or a public motor vehicle auction, a photograph, not to exceed eight inches by ten inches,
33 showing the business building and sign shall accompany the initial application.] **shall be the**
34 **location at which the dealership regularly conducts sales activity, service, and all other**
35 **elements of the dealership's business, and which:**

36 (1) **Satisfies all local zoning regulations;**

37 (2) **Has sales, service, and office space devoted exclusively to the dealership of at**
38 **least two hundred fifty square feet in a permanent, enclosed building not used as a**

39 residence;

40 (3) Houses all records the dealership is required to maintain pursuant to section
41 301.564;

42 (4) Is equipped with a desk, chairs, filing space, a working land-based telephone
43 which is not a mobile telephone listed in the name of the dealership, and working utilities
44 including electricity and provisions for space heating;

45 (5) Displays a sign and business hours as required by this section, except that this
46 requirement shall not apply to wholesale dealers;

47 (6) Has contiguous space designated for the exclusive use of the dealership adequate
48 to permit the display of at least ten motor vehicles, except that this requirement shall not
49 apply to wholesale dealers or boat dealers;

50 (7) In the case of new motor vehicle franchise dealers, the established place of
51 business shall include adequate facilities, tools, and personnel necessary to properly service
52 and repair motor vehicles and trailers under their franchisor's warranty; and

53 (8) Is open to the public for business a minimum of twenty hours per week, with
54 business hours to be prominently posted at the dealership location as provided by board
55 regulation.

56 3. The licenses of all motor vehicle dealers, boat dealers, and auctions shall specify
57 the location of the established place of business, and each license shall be prominently
58 displayed at each licensed established place of business. Any dealer wishing to change
59 location shall provide the board with at least thirty days' written advance notice, and an
60 inspection by the appropriate law enforcement agency of the proposed new location shall
61 be submitted prior to approval of a change of location. There shall be no additional fee for
62 such approvals if the new location is within the same city or county, and in such case the
63 board shall endorse the change of location on the current license. A change in location to
64 a different city or county shall require a new license and an additional fee.

65 4. A franchised dealer may maintain more than one location for the display and
66 sale of motor vehicles under the same license, provided that each location meets the
67 requirements of this section, that each location is identified on the license application, and
68 that nothing within the dealer's franchise prohibits the additional locations. However, a
69 separate license shall be required for each separate and distinct dealership as determined
70 by the board. The board shall adopt regulations regarding the requirements for issuance
71 of multilocation permits to allow a dealer to operate the same dealership from different
72 locations within the same city or county under the same license, and shall adopt regulations
73 regarding the approval procedure and requirements to be followed by dealers wishing to
74 maintain a storage lot as defined in section 301.550.

75 **5. All motor vehicle dealers shall post and maintain in a prominent location a list**
76 **of salespersons employed by the dealership. Each motor vehicle salesperson shall carry his**
77 **or her license when engaged in business and shall display the license on request.**

78 **6. All initial applications shall contain a photograph, not to exceed eight inches by**
79 **ten inches, showing the business building and sign.** In the case of a manufacturer, new motor
80 vehicle franchise dealer or used motor vehicle dealer **applicant**, the photograph shall include the
81 **display** lot of the business. A new motor vehicle franchise dealer applicant who has purchased
82 a currently licensed new motor vehicle franchised dealership shall be allowed to submit a
83 photograph of the existing dealership building, lot and sign but shall be required to submit a new
84 photograph upon the installation of the new dealership sign as required by sections 301.550 to
85 301.573. Applicants **for license renewal** shall not be required to submit a photograph annually
86 unless the business has moved from its previously licensed location, or unless the name of the
87 business or address has changed, or unless the class of business has changed[;

88 (3) If the application is for licensure as a wholesale motor vehicle dealer or as a boat
89 dealer, the application shall contain the business address, not a post office box, and telephone
90 number of the place where the books, records, files and other matters required and necessary to
91 conduct the business are located and where the same may be inspected during normal daytime
92 business hours. Wholesale motor vehicle dealers and boat dealers shall file reports as required
93 of new franchised motor vehicle dealers and used motor vehicle dealers;

94 (4) Every applicant as a new motor vehicle franchise dealer, a used motor vehicle dealer,
95 a].

96 **7. Each motor vehicle dealer's place of business, except wholesale dealers, shall be**
97 **identified by a permanent sign visible from the nearest public street so that the public may**
98 **quickly and easily identify the dealership. The sign shall contain the name of the**
99 **dealership by which it is known to the public, which need not be identical to the name**
100 **appearing on the dealership's license so long as such name is registered as a fictitious name**
101 **with the secretary of state, and a copy of such fictitious name registration has been**
102 **provided to the board. The name shall appear on the sign in letters no less than six inches**
103 **in height.**

104 **8. Subject to the provisions of section 301.559, every initial applicant for licensure,**
105 **except applicants for a manufacturer's license but including applicants for licensure as a**
106 **motor vehicle salesperson, shall be required to successfully complete an examination to be**
107 **prepared and administered by the board, prior to receiving a license. The board shall**
108 **adopt all necessary rules and regulations for the administration of such examinations.**

109 **9. Every applicant as a motor vehicle dealer, boat dealer, manufacturer, boat**
110 **manufacturer, public motor vehicle auction, wholesale motor vehicle auction or wholesale**

motor vehicle dealer, or boat dealer shall furnish with the application a corporate surety bond or an irrevocable letter of credit as defined in section 400.5-103, RSMo, issued by any state or federal financial institution in the penal sum of twenty-five thousand dollars on a form approved by the [department] **board**. The bond or irrevocable letter of credit shall be conditioned upon the dealer complying with the provisions of the statutes applicable to new motor vehicle franchise dealers, used motor vehicle dealers, wholesale motor vehicle dealers and boat dealers, and the bond shall be an indemnity for any loss sustained by reason of the acts of the person bonded when such acts constitute grounds for the suspension or revocation of the dealer's license. The bond shall be executed in the name of the state of Missouri for the benefit of all aggrieved parties or the irrevocable letter of credit shall name the state of Missouri as the beneficiary; except, that the aggregate liability of the surety or financial institution to the aggrieved parties shall, in no event, exceed the amount of the bond or irrevocable letter of credit. The proceeds of the bond or irrevocable letter of credit shall be paid upon receipt by the [department] **board** of a final judgment from a Missouri court of competent jurisdiction against the principal and in favor of an aggrieved party[;

(5) Payment of].

10. Every applicant shall pay all [necessary] **applicable license and examination** fees as established by the [department]. In establishing the amount of the annual license fees, the department shall, as near as possible, produce sufficient total income to offset operational expenses of the department relating to the administration of sections 301.550 to 301.573. All fees payable pursuant to the provisions of sections 301.550 to 301.573, other than those fees collected for the issuance of dealer plates or certificates of number collected pursuant to subsection 6 of this section, shall be collected by the department for deposit in the state treasury to the credit of the "Motor Vehicle Commission Fund", which is hereby created. The motor vehicle commission fund shall be administered by the Missouri department of revenue. The provisions of section 33.080, RSMo, to the contrary notwithstanding, money in such fund shall not be transferred and placed to the credit of the general revenue fund until the amount in the motor vehicle commission fund at the end of the biennium exceeds two times the amount of the appropriation from such fund for the preceding fiscal year or, if the department requires permit renewal less frequently than yearly, then three times the appropriation from such fund for the preceding fiscal year. The amount, if any, in the fund which shall lapse is that amount in the fund which exceeds the multiple of the appropriation from such fund for the preceding fiscal year.

2. In the event a new manufacturer, boat manufacturer, motor vehicle dealer, wholesale motor vehicle dealer, boat dealer, wholesale motor vehicle auction or a public motor vehicle auction submits an application for a license for a new business and the applicant has complied

147 with all the provisions of this section, the department shall make a decision to grant or deny the
148 license to the applicant within eight working hours after receipt of the dealer's application,
149 notwithstanding any rule of the department.] **board, subject to the following guidelines:**

150 **(1) For new motor vehicle franchise dealers and manufacturers, not less than two**
151 **hundred fifty dollars for initial licensure and annual license renewal;**

152 **(2) For used motor vehicle dealers, wholesale motor vehicle dealers, public and**
153 **wholesale motor vehicle auctions, boat dealers, and powersport dealers, not less than one**
154 **hundred fifty dollars for initial licensure and annual license renewal;**

155 **(3) For motor vehicle salespersons, not less than twenty-five dollars for initial**
156 **licensure and annual license renewal;**

157 **(4) For examination of a dealer or auction applicant, not less than twenty-five**
158 **dollars;**

159 **(5) For examination of a salesperson applicant, not less than ten dollars.**

160 **11. In establishing fees for examination and licensure, the board shall attempt, as**
161 **closely as possible, to generate annual revenues sufficient to cover the board's operational**
162 **costs in implementing sections 301.550 to 301.573.**

163 [3.] **12.** Upon the initial issuance of a license by the [department] **board**, the
164 [department] **board** shall assign a distinctive dealer, **manufacturer, or auction** license number
165 [or certificate of number] to the applicant [and the department shall issue one number plate or
166 certificate] **from the appropriate category set forth in this section. Upon initial licensure**
167 **and payment of a fee to be determined by the board and the department of revenue, which**
168 **shall not be less than fifty dollars, each motor vehicle dealer, boat dealer, and**
169 **manufacturer shall be issued one dealer or manufacturer license plate** bearing the distinctive
170 dealer [license number or certificate of number within eight working hours after presentment of
171 the application. Upon the renewal of a boat dealer, boat manufacturer, manufacturer, motor
172 vehicle dealer, public motor vehicle auction, wholesale motor vehicle dealer or wholesale motor
173 vehicle auction, the department shall issue the distinctive dealer license number or certificate of
174 number as quickly as possible. The issuance of such distinctive dealer license number or
175 certificate of number shall be in lieu of registering each motor vehicle, trailer, vessel or vessel
176 trailer dealt with by a boat dealer, boat manufacturer, manufacturer, public motor vehicle auction,
177 wholesale motor vehicle dealer, wholesale motor vehicle auction or motor vehicle dealer.] **or**
178 **manufacturer license number. The board and the department of revenue shall cooperate**
179 **in order to create a system for the manufacture and distribution of dealer and**
180 **manufacturer license plates authorized hereby. The board and the department of revenue**
181 **are hereby granted authority and shall take all steps necessary and appropriate to facilitate**
182 **the timely and efficient distribution of license plates authorized by this section, but the**

board alone shall have authority to determine all matters relating to the use and regulation of such license plates. All dealer and manufacturer license plates and certificates of number authorized by this section may, at the discretion of the board and director of revenue, be placed in a system of staggered issue to distribute the work of issuing such license plates and certificates of number as uniformly as practicable throughout the year. The issuance of distinctive dealer and manufacturer license numbers shall be in lieu of registering each motor vehicle, vessel, or trailer purchased, sold, leased, or traded by a motor vehicle dealer, boat dealer, manufacturer, boat manufacturer, public motor vehicle auction, wholesale motor vehicle auction, or wholesale motor vehicle dealer.

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

New motor vehicle franchise dealers	D-0 through D-999
New motor vehicle franchise and commercial	
motor vehicle dealers	D-1000 through D-1999
Used motor vehicle dealers	D-2000 through D-5399
	and D-6000 through D-9999
Wholesale motor vehicle dealers	W-1000 through W-1999
Wholesale motor vehicle auctions	W-2000 through W-2999
Trailer dealers	T-0 through T-9999
Motor vehicle and trailer manufacturers	M-0 through M-9999
[Motorcycle] Powersport dealers	D-5400 through D-5999
Public motor vehicle auctions	A-1000 through A-1999
Boat dealers and boat manufacturers	B-0 through B-9999

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

[6. In the case of manufacturers and motor vehicle dealers, the department shall also issue one number plate bearing the distinctive dealer license number to the applicant upon payment by the manufacturer or dealer of a fifty-dollar fee. Such license plates] **15. Dealer license plates for motor vehicle dealers and manufacturers** shall be made with fully reflective material with a common color scheme and design, shall be clearly visible at night, and shall be aesthetically attractive, as prescribed by section 301.130. Boat dealers and boat manufacturers shall be entitled to one certificate of number bearing such number upon the payment of a [fifty-dollar fee. As many additional number plates as may be desired by manufacturers and motor vehicle dealers and as many] **fee as determined by the board and the department of**

revenue. **Additional license plates and, for boat dealers,** additional certificates of number [as may be desired by boat dealers and boat manufacturers] may be obtained upon payment of a fee of **not less than** ten dollars and fifty cents for each additional plate or certificate[.], **except that:**

(1) **Dealerships which sold fewer than twenty-five vehicles during the last twelve months of the preceding license year shall be eligible to receive no more than two dealer license plates;**

(2) **Dealerships which sold at least twenty-five but fewer than fifty vehicles during the last twelve months of the preceding license year shall be eligible to receive no more than four dealer license plates;**

(3) **Dealerships which sold fifty or more vehicles during their current license year may apply for additional license plates not to exceed four times the number of licensed salespersons employed by that dealership;**

(4) **Dealerships which sold fifty or more vehicles during the last twelve months of the preceding license year shall be eligible to receive a number of dealer license plates not to exceed four times the number of licensed salespersons employed by that dealership; and**

(5) **A newly licensed dealer shall be eligible to receive a number of dealer license plates not to exceed four times the number of licensed salespersons to be initially employed by that dealership.**

For purposes of this section, a salesperson or employee shall be considered to be employed only if he or she works for the dealership at least twenty hours per week on a regular basis, and is financially compensated for this work.

16. A motor vehicle dealer, boat dealer, manufacturer, boat manufacturer, [public motor vehicle auction,] **or** wholesale motor vehicle dealer [or wholesale motor vehicle auction] obtaining a dealer license plate or certificate of number or additional license plate or additional certificate of number, throughout the calendar year, shall be required to pay a fee for such license plates or certificates of number computed on the basis of one-twelfth of the full fee prescribed for the original and duplicate number plates or certificates of number for such dealers' licenses, multiplied by the number of months remaining in the licensing period for which the dealer or manufacturers shall be required to be licensed. In the event of a renewing dealer, the fee due at the time of renewal shall not be prorated.

[7.] **17.** The **license** plates issued pursuant to [subsection 3 or 6 of] this section may be displayed on any motor vehicle owned and held for resale by the motor vehicle dealer or manufacturer, and used by a customer who is test driving the motor vehicle **with the dealer's permission**, or is used by an employee or [officer] **licensed owner of the dealership**, but shall not be displayed on any motor vehicle or trailer hired or loaned to others or upon any regularly

used service or wrecker vehicle. Motor vehicle dealers may display their dealer plates on a tractor, truck or trailer to demonstrate a vehicle under a loaded condition. **For purposes of this subsection, "employee" shall be defined as set forth in subsection 15 of this section.**

[8.] **18.** The certificates of number issued pursuant to [subsection 3 or 6 of] this section may be displayed on any vessel or vessel trailer owned and held for resale by a boat manufacturer or a boat dealer, and used by a customer who is test driving the vessel or vessel trailer **with the dealer's permission**, or is used by an employee or [officer] **licensed owner of the dealership**, but shall not be displayed on any vessel or vessel trailer hired or loaned to others or upon any regularly used service vessel or vessel trailer. Boat dealers and manufacturers may display their certificate of number on a vessel or vessel trailer which is being transported to an exhibit or show. **For purposes of this subsection, "employee" shall be defined as set forth in subsection 15 of this section.**

19. It shall be unlawful to use or permit the use of any dealer's license plates on vehicles for which there is no automobile liability insurance coverage. No dealer's license plates or certificates of number shall be issued unless the dealer certifies to the board and department of revenue that there is automobile liability insurance coverage, or an approved certificate of self-insurance which is in compliance with the laws of this state. Such automobile liability insurance or certificate of self-insurance shall be maintained as long as each dealer license plate remains valid. If insurance or a certificate of self-insurance is not so maintained, the dealer's license plates shall be surrendered to the board or the department of revenue. The board may also cancel and recall any dealer license plate under such circumstances, and may cancel and recall any license plate that has been used in any way not authorized by the provisions of this section; board investigators are authorized to pick up or remove such plates for return to the board. Any person violating any of the provisions of this section shall be guilty of a class A misdemeanor. Misuse of any dealer license plate or certificate of number shall constitute cause for discipline of a licensee pursuant to section 301.562.

301.561. Motor vehicles sold by a public motor vehicle auction licensee shall not require inspection pursuant to sections 307.350 to 307.400, RSMo, provided that the licensee has not been assigned the certificate of ownership to such vehicles and is acting only as an agent for the sellers of such vehicles. Any person [or corporation] holding a public motor vehicle auction shall display in a conspicuous manner two signs each of which shall bear the following warning in letters at least six inches high: "Attention Buyers: Vehicles sold at this auction may not have had a safety inspection." The dimensions of each sign shall be at least two feet by two feet.

301.562. 1. The [department] **board** may refuse to issue or renew any license required

2 pursuant to sections 301.550 to 301.573 for any one or any combination of causes stated in
3 subsection 2 of this section. The [department] **board** shall notify the applicant or licensee in
4 writing at his last known address of the reasons for the refusal to issue or renew the license and
5 shall advise the applicant or licensee of his **or her** right to [appeal] **file a complaint with** the
6 [decision of the department] **administrative hearing commission** as provided [in] **by** chapter
7 [536] **621**, RSMo.

8 2. The [department] **board** may [take such disciplinary action] **cause a complaint to be**
9 **filed with the administrative hearing commission** as provided in subsection 3 of this section
10 upon a written notice and an opportunity to be heard in substantially the same manner as
11 provided in chapter [536] **621**, RSMo, against any holder of any license [issued under] **required**
12 **pursuant to** sections 301.550 to 301.573 **or any person who has failed to renew or has**
13 **surrendered his or her license** for any one or any combination of the following causes:

14 (1) [The applicant or license holder was previously the holder of a license issued under
15 sections 301.550 to 301.573, which license was revoked for cause and never reissued by the
16 department, or which license was suspended for cause and the terms of suspension have not been
17 fulfilled] **The person was previously the holder of a license issued pursuant to sections**
18 **301.550 to 301.573, or was previously a partner, stockholder, director or officer of a**
19 **partnership or corporation holding such license, which license was revoked for cause and**
20 **never reissued by the board, or which license was suspended for cause and the terms of**
21 **suspension have not been fulfilled;**

22 (2) The [applicant or license holder was previously a partner, stockholder, director or
23 officer controlling or managing a partnership or corporation whose license issued under sections
24 301.550 to 301.573 was revoked for cause and never reissued or was suspended for cause and
25 the terms of suspension have not been fulfilled;

26 (3) The applicant or license holder has, within ten years prior to the date of the
27 application,] **person has** been finally adjudicated and found guilty, or entered a plea of guilty or
28 nolo contendere, in a criminal prosecution under the laws of any state or of the United States, for
29 any offense reasonably related to the qualifications, functions or duties of any business licensed
30 under sections 301.550 to 301.573; for any offense, an essential element of which is fraud,
31 dishonesty or an act of violence; [or] for any offense involving moral turpitude, whether or not
32 sentence is imposed; **or for any offense classified as a felony;**

33 [(4)] **(3)** Use of fraud, deception, misrepresentation or bribery in securing any license
34 issued pursuant to sections 301.550 to 301.573;

35 [(5)] **(4)** Obtaining or attempting to obtain any money, commission, fee, barter, exchange
36 or other compensation by fraud, deception or misrepresentation;

37 [(6)] **(5)** Violation of, or assisting or enabling any person to violate any provisions of

38 sections 301.550 to 301.573 or of any lawful rule or regulation adopted pursuant to sections
39 301.550 to 301.573;

40 [(7)] (6) The applicant or license holder has filed an application for a license which, as
41 of its effective date, was incomplete in any material respect or contained any statement which
42 was, in light of the circumstances under which it was made, false or misleading with respect to
43 any material fact;

44 [(8)] (7) The applicant or license holder has failed to pay the proper application or
45 license fee or fails to establish or maintain [a bona fide] **an established** place of business;

46 [(9)] (8) Uses or permits the use of any special license or license plate assigned to [him]
47 **such person** for any purpose other than those permitted by law;

48 [(10)] (9) The applicant or license holder is finally adjudged insane or incompetent by
49 a court of competent jurisdiction;

50 [(11)] (10) Use of any advertisement or solicitation which [is false] **violates the**
51 **provisions of section 301.567 or is otherwise false, deceptive, or misleading;**

52 [(12)] (11) Violations of sections 301.550 to 301.573 or violations of this chapter,
53 sections 407.511 to 407.556, RSMo, **or** section 578.120, RSMo, which resulted in a [felony]
54 **criminal** conviction or finding of guilt or violation of any federal motor vehicle laws which
55 result in a [felony] **criminal** conviction or finding of guilt;

56 (12) **Failure to comply subsequent to receipt of any written warning from the**
57 **board;**

58 (13) **Failing or refusing to pay any civil penalty imposed by the board pursuant to**
59 **subsection 6 of this section;**

60 (14) **Failing to maintain automobile liability insurance or a certificate of self-**
61 **insurance as required by section 301.560.**

62 3. **After the filing of such complaint, the proceedings shall be conducted in**
63 **accordance with the provisions of chapter 621, RSMo.** Upon a finding by the [department]
64 **administrative hearing commission** that the grounds, provided in subsection 2 of this section,
65 for disciplinary action are met, the [department] **board** may [refuse to issue the person a license],
66 **singly or in combination:**

67 (1) **Issue a warning, issue a public or private reprimand, or place the person named**
68 **in the complaint** on probation on such terms and conditions as the [department] **board** deems
69 appropriate for a period [of one day] **not to exceed** five years[, suspend the person's license from
70 one day to six days, or revoke the person's license for such period as the department deems
71 appropriate. The applicant or];

72 (2) **Suspend the license for a period not to exceed six days;**

73 (3) **Revoke the license;**

74 **(4) Assess a civil penalty pursuant to the provisions of subsection 6 of this section.**

75

76 **The licensee shall have the right to appeal the decision of the [department] administrative**
77 **hearing commission and board** in the manner provided in chapter 536, RSMo.

78 4. Upon the suspension or revocation of any person's license issued [under] **pursuant**
79 **to** sections 301.550 to 301.573, the [department] **board** shall **cancel and** recall any [distinctive
80 number] **dealer license plates or certificates of number** that were issued to that licensee.

81 **5. If at any time after disciplinary sanctions have been imposed pursuant to this**
82 **section or the provisions of sections 301.550 to 301.573, the licensee removes himself or**
83 **herself from the state of Missouri, ceases to be currently licensed pursuant to the provisions**
84 **of sections 301.550 to 301.573, or fails to keep the board advised of his or her current**
85 **established place of business and residence, the time of his or her absence, or unlicensed**
86 **status, or unknown whereabouts shall not be deemed or taken as any part of the time of**
87 **discipline so imposed.**

88 **6. Upon a finding by the administrative hearing commission pursuant to**
89 **subsections 2 and 3 of this section, any person violating any of the provisions of sections**
90 **301.550 to 301.573 may be assessed a civil penalty by the board. No such civil penalty shall**
91 **exceed two thousand dollars for any single violation. Civil penalties collected pursuant to**
92 **sections 301.550 to 301.573 shall be deposited into the highway fund to the credit of the**
93 **Missouri department of transportation.**

 301.563. 1. The [department] **board** or its designated representative may issue process,
2 subpoena witnesses, administer oaths, examine books and papers, and require the production
3 thereof, and cause the deposition of any witness to be taken and the costs thereof paid as other
4 costs under sections 301.550 to 301.573. Any party may **serve** process to compel the attendance
5 of witnesses and the production of books and papers, and at [his] **their** 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] **board** and paid out of the Missouri motor vehicle [commission] **board** fund
13 established in section [301.560] **301.554**, except that if the [department] **board** determines that
14 any proceedings are brought, prosecuted or defended without reasonable ground, it may assess
15 the whole cost of the proceedings upon the party who brought, prosecuted or defended the
16 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] **such person's**
21 deposition, such person is guilty of a class B misdemeanor and on conviction thereof shall be
22 punished by a fine of not more than five hundred dollars, or by imprisonment in the county jail
23 for not more than one year, or by both such fine and imprisonment, and in the case of a
24 continuing 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 **motor vehicle dealer,**
2 **boat dealer,** manufacturer, [motor vehicle dealer, wholesale motor vehicle dealer, boat dealer]
3 **boat manufacturer, public motor vehicle auction,** wholesale motor vehicle auction, or [a
4 public motor vehicle auction] **wholesale motor vehicle dealer** pursuant to the provisions of
5 sections 301.550 to 301.573, shall permit an employee of the [department of revenue] **board** or
6 any law enforcement official to inspect, during normal business hours, any of the [following]
7 **business** documents which are in his **or her** possession or under his **or her** custody or control,
8 **including but not limited to the following:**

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

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

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

26 **3. All dealer business records regarding salespersons and other employees; lists of**
27 **vehicles in inventory for sale or which are on consignment; vehicle purchases, sales, leases,**
28 **trades, and transfers of ownership; documents transferring or assigning title to any vehicle**

29 or vessel; odometer disclosure statements; records of dealer license plates assigned to the
30 dealer and any temporary certificates of ownership; and all other records required by the
31 board or department of revenue shall be maintained on the premises of the established
32 place of business for the time periods set forth by board regulation. The board may, on
33 written request by a dealer, permit records to be maintained at a location other than the
34 established place of business for good cause shown.

301.565. 1. Upon application by the [department] **board**, and the necessary burden
2 having been met, a court of general jurisdiction may grant an injunction, restraining order or
3 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 which
5 a license is required [under] **pursuant to** the provisions of this chapter, upon a showing that such
6 acts 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 pursuant to this chapter, [subsection 1 of section 307.350, RSMo, sections 407.511 to 407.556]
9 **chapter 307, RSMo, or chapter 407, RSMo, or section 578.120, RSMo.**

10 2. Any action brought [under] **pursuant to** this section shall be in addition to and not
11 in lieu of any remedy provided by this chapter and may be brought concurrently with other
12 actions to enforce this chapter.

301.566. 1. A motor vehicle dealer may participate in any **off-premise** motor vehicle
2 show, **display**, or sale and conduct sales of motor vehicles away from the dealer's usual, licensed
3 place of business if either:

4 (1) The requirements of subsection 2 [or 3] of this section are met; or

5 (2) The **off-premise** event is conducted for not more than ten days, and if a **numerical**
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] **the same classification pursuant to section**
8 **301.550, in the city or town in which the off-premise event is conducted, participate in the**
9 **event** or are invited and have the opportunity to participate in the event, except that a recreational
10 motor vehicle dealer classified in subdivision (5) of subsection 3 of section 301.550 may
11 participate in such a show or sale even if a majority of recreational motor vehicle dealers in a city
12 or town do not participate in the event. The [department] **board** shall consider such events to
13 be proper in all respects and as if each dealer participant was conducting business at the dealer's
14 usual business location. Nothing contained in this section shall be construed as applying to the
15 sale of motor vehicles or trailers through either a wholesale motor vehicle auction or public
16 motor vehicle auction. **For purposes of this section, "off-premise" shall mean a location**
17 **other than the established place of business of a licensed dealer.**

18 2. Any [person, partnership, corporation or association] **licensee** disposing of vehicles

19 used and titled solely in its ordinary course of business as provided in section 301.570 may sell
20 at retail such vehicles away from [that person's bona fide] **its** established place of business, thus
21 constituting an off-site sale, by adhering to each of the following conditions with regard to each
22 and every [off-site] **off-premise** sale conducted:

23 (1) Have in effect a valid license, pursuant to sections 301.550 to 301.575, from the
24 [department] **board** for the sale of used motor vehicles;

25 (2) No [off-site] **off-premise** sale may exceed [ten] **three** days in duration, and only one
26 sale may be held per year, per county, in counties of the third and fourth classification;

27 (3) Pay to the motor vehicle commission fund, pursuant to section 301.560, a permit fee
28 of two hundred fifty dollars for each [off-site] **off-premise** sale event;

29 (4) Advise the [department] **board**, at least ten days prior to the sale, of the date, location
30 and duration of each [off-site] **off-premise** sale;

31 (5) The sale of **motor** vehicles at [off-site] **off-premise** sales **authorized by this**
32 **subsection** shall be limited to sales by a seller of vehicles used and titled solely in its ordinary
33 course of business, and such sales shall be held in conjunction with a credit union and limited
34 to members of the credit union, thus constituting a private sale to be advertised to members only;

35 (6) [Off-site sales by a seller of vehicles used and titled solely in its ordinary course of
36 business] **Off-premise sales pursuant to this subsection** may also be held in conjunction with
37 other financial institutions provided that any such sale event shall be held on the premises of the
38 financial institution, and sales shall be limited to persons who were customers of the financial
39 institution prior to the date of the sale event. [Off-site] **Off-premise** sales held with such other
40 financial institutions shall be limited to one sale per year per institution;

41 (7) The sale of motor vehicles which have the designation of the current model year,
42 except discontinued models, is prohibited at [off-site sales] **any off-premise sale authorized**
43 **pursuant to this subsection** until subsequent model year designated vehicles of the same
44 manufacture and model are offered for sale to the public.

45 **3. On forms to be prescribed by the board, a person who is not licensed pursuant**
46 **to sections 301.550 to 301.573 may apply for a temporary license, which shall not exceed**
47 **five days duration, in order to conduct a public or wholesale motor vehicle auction in this**
48 **state, provided that:**

49 (1) **The applicant conducts no more than three such auctions during any calendar**
50 **year;**

51 (2) **The applicant, due to the circumstances of his or her proposed auction activities,**
52 **may not reasonably be required to establish and maintain an established place of business**
53 **as described in section 301.560;**

54 (3) **The applicant is of good moral character and would not otherwise be subject**

55 to refusal or discipline of any license issued pursuant to sections 301.550 to 301.573 for any
56 of the reasons set forth in section 301.562;

57 (4) The proposed location of such auction meets all local zoning regulations;

58 (5) The auction is conducted by an auctioneer licensed in this state pursuant to
59 chapter 343, RSMo; and

60 (6) The applicant pays to the board a fee of not less than two hundred fifty dollars
61 per auction event for each temporary license issued.

62 4. The board shall adopt all necessary regulations for the enforcement of this
63 section. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo,
64 that is created under the authority delegated in this section shall become effective only if
65 it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if
66 applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable
67 and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo,
68 to review, to delay the effective date or to disapprove and annul a rule are subsequently
69 held unconstitutional, then the grant of rulemaking authority and any rule proposed or
70 adopted after August 28, 2002, shall be invalid and void.

71 [3.] 5. A recreational vehicle dealer, as that term is defined in section 700.010, RSMo,
72 who is licensed in another state may participate in recreational vehicle shows or exhibits with
73 recreational vehicles within this state, in which less than fifty dealers participate as exhibitors
74 with permission of the dealer's licensed manufacturer if all of the following conditions exist:

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

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

79 (3) The state in which the recreational vehicle is licensed is a state contiguous to
80 Missouri and the state permits recreational vehicle dealers licensed in Missouri to participate in
81 recreational vehicle shows in such state pursuant to conditions substantially equivalent to the
82 conditions which are imposed on dealers from such state who participate in recreational vehicle
83 shows in Missouri.

84 [4.] 6. A recreational vehicle dealer licensed in another state may participate in a vehicle
85 show or exhibition in Missouri which has, when it opens to the public, at least fifty dealers
86 displaying recreational vehicles if the show or exhibition is trade-oriented and is predominantly
87 funded by recreational vehicle manufacturers. All of the participating dealers who are not
88 licensed in Missouri shall be licensed as recreational vehicle dealers by the state of their
89 residence.

301.567. 1. For purposes of this section, a violation of any of the following

2 advertising standards shall be deemed an attempt by the advertising dealer, or by the
3 manufacturer in the case of manufacturer-sponsored advertising, to obtain a fee or other
4 compensation by fraud, deception, or misrepresentation in violation of section 301.562:

5 (1) A motor vehicle shall not be advertised as new, either by express terms or
6 implication, unless it is a "new motor vehicle" as defined in section 301.550;

7 (2) When advertising any motor vehicle which is not a new motor vehicle, such
8 advertisement must expressly identify that the motor vehicle is a used motor vehicle by
9 express use of the term "used", or by such other term as is commonly understood to mean
10 that the vehicle is used;

11 (3) Any terms, conditions, and disclaimers relating to the advertised motor vehicle's
12 price or financing options shall be stated clearly and conspicuously. An asterisk or other
13 reference symbol may be used to point to a disclaimer or other information, but not be
14 used as a means of contradicting or changing the meaning of an advertised statement;

15 (4) The expiration date, if any, of an advertised sale or vehicle price shall be clearly
16 and conspicuously disclosed. In the absence of such disclosure, the advertised sale or
17 vehicle price shall be deemed effective so long as such vehicle remains in the advertising
18 dealership's inventory;

19 (5) The terms "list price", "sticker price", or "suggested retail price" shall be used
20 only in reference to the manufacturer's suggested retail price for new motor vehicles, and,
21 if used, shall be accompanied by a clear and conspicuous disclosure that such terms
22 represent the manufacturer's suggested retail price of the advertised vehicle;

23 (6) Terms such as "at cost" or "\$..... above cost" shall not be used in
24 advertisements because of the difficulty in determining a dealer's actual net cost at the time
25 of the sale. Terms such as "invoice price" or "\$..... over invoice" may be used, provided
26 that the invoice referred to is the manufacturer's factory invoice for a new motor vehicle
27 and the invoice is available for customer inspection. For purposes of this section,
28 "manufacturer's factory invoice" means that document supplied by the manufacturer to
29 the dealer listing the manufacturer's charge to the dealer before any deduction for
30 holdback, group advertising, factory incentives or rebates, or any governmental charges;

31 (7) When the price or financing terms of a motor vehicle are advertised, the vehicle
32 shall be fully identified as to year, make, and model. In addition, in advertisements placed
33 by individual dealers and not line-make marketing groups, the advertised price or credit
34 terms shall include all charges which the buyer must pay to the dealer, except buyer-
35 selected options and state and local taxes. If a processing fee or freight or destination
36 charges are not included in the advertised price, the amount of any such processing fee and
37 freight or destination charge must be clearly and conspicuously disclosed within the

38 advertisement;

39 (8) Advertisements which offer to match or better any competitors' prices shall not
40 be used;

41 (9) Advertisements of dealer rebates shall not be used; however, this shall not be
42 deemed to prohibit the advertising of manufacturer rebates, so long as all material terms
43 of such rebates are clearly and conspicuously disclosed;

44 (10) Terms such as "free" or "at no cost" shall not be used if any purchase is
45 required to qualify for the free item, merchandise, or service;

46 (11) "Bait advertising", in which an advertiser may have no intention to sell at the
47 prices or terms advertised, shall not be used. Bait advertising shall include, but not be
48 limited to, the following examples:

49 (a) Not having available for sale the advertised motor vehicles at the advertised
50 prices. If a specific vehicle is advertised, the dealer shall be in possession of a reasonable
51 supply of such vehicles, and they shall be available at the advertised price. If the
52 advertised vehicle is available only in limited numbers or only by order, such limitations
53 shall be stated in the advertisement;

54 (b) Advertising a motor vehicle at a specified price, including such term as "as low
55 as \$.....", but having available for sale only vehicles equipped with dealer-added cost
56 options which increase the selling price above the advertised price;

57 (12) Any reference to monthly payments, down payments, or other reference to
58 financing or leasing information shall be accompanied by a clear and conspicuous
59 disclosure of the following:

60 (a) Whether the payment or other information relates to a loan or a lease
61 transaction;

62 (b) If the payment or other information relates to a loan transaction, the minimum
63 down payment, annual percentage interest rate, and number of payments necessary to
64 obtain the advertised payment amount must be disclosed, in addition to any special
65 qualifications required for obtaining the advertised terms including, but not limited to,
66 first-time buyer discounts, college graduate discounts, and a statement concerning whether
67 the advertised terms are subject to credit approval;

68 (c) If the payment or other information relates to a lease transaction, the total
69 amount due from the purchaser at signing with such costs broken down and identified by
70 category, lease term expressed in number of months, whether the lease is closed-end or
71 open-end, and total cost to the lessee over the lease term in dollars;

72 (13) Any advertisement which states or implies that the advertising dealer has a
73 special arrangement or relationship with the distributor or manufacturer, as compared to

74 similarly situated dealers, shall not be used;

75 (14) Any advertisement which, in the circumstances under which it is made or
76 applied, is false, deceptive, or misleading shall not be used;

77 (15) No abbreviations for industry words or phrases shall be used in any
78 advertisement unless such abbreviations are accompanied by the fully spelled or spoken
79 words or phrases.

80 2. The requirements of this section shall apply regardless of whether a dealer
81 advertises by means of print, broadcast or electronic media, or direct mail.

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

301.569. 1. Notwithstanding any provision of section 301.200 or 301.210, to the
2 **contrary, whenever a dealer licensed by the board sells and delivers to a purchaser a motor**
3 **vehicle and is unable at the time of the sale to deliver to the purchaser the certificate of**
4 **ownership or manufacturer's statement of origin for the vehicle because the certificate of**
5 **ownership or manufacturer's statement of origin is lost or is being detained by another in**
6 **possession of same or for any other reason beyond the dealer's control, the dealer shall**
7 **execute, on forms provided by the director of revenue, a temporary certificate of**
8 **ownership. The certificate shall bear its date of issuance, the name and address of the**
9 **purchaser, the vehicle identification number, the registration number to be used**
10 **temporarily on the vehicle, the name of the state in which the vehicle is to be registered, the**

11 name and address of the person from whom the dealer acquired the vehicle, and whatever
12 other information may be required by the director of revenue. A copy of the temporary
13 certificate and completed bill of sale shall be delivered to the purchaser and shall be in the
14 possession of the purchaser at all times when operating the vehicle. One copy of the
15 certificate shall be retained by the dealer and shall be subject to inspection at any time by
16 the agents of the board or department of revenue. The original of the certificate shall be
17 forwarded by the dealer to the department of revenue directly on issuance to the
18 purchaser, along with application for title. The issuance of a temporary certificate of
19 ownership to a purchaser pursuant to this section shall have the effect of vesting legal
20 ownership to the vehicle in the purchaser for the period that the certificate remains
21 effective, notwithstanding any other provisions of law to the contrary.

22 2. A temporary certificate of ownership issued by a dealer to a purchaser pursuant
23 to this section shall expire on receipt by the purchaser of a certificate of ownership to the
24 vehicle issued by the department of revenue in the name of the purchaser, but in no event
25 shall any temporary certificate of ownership issued pursuant to this section be effective for
26 more than thirty days from the date of its issuance. In the event that the dealer fails to
27 produce the original certificate of ownership or manufacturer's statement of origin to the
28 vehicle or fails to apply for a replacement certificate of ownership, thereby preventing
29 delivery to the department of revenue or purchaser before the expiration of the temporary
30 certificate of ownership, the purchaser's ownership of the vehicle may terminate and the
31 purchaser shall have the right to return the vehicle to the dealer and obtain a full refund
32 of all payments made toward the purchase of the vehicle, less any damage to the vehicle
33 incurred while ownership was vested in the purchaser, and less a reasonable amount for
34 use not to exceed one-half the amount allowed per mile by the Internal Revenue Service,
35 as provided by regulation, revenue procedure, or revenue ruling promulgated pursuant
36 to Section 162 of the Internal Revenue Code, for use of a personal vehicle for business
37 purposes.

38 3. Notwithstanding subsection 2 of this section, if the dealer fails to deliver the
39 certificate of ownership or manufacturer's statement of origin to the purchaser within
40 thirty days, a second temporary certificate of ownership may be issued. However, the
41 dealer shall, not later than the expiration of the first temporary certificate, deliver to the
42 department of revenue an application for title, copy of the bill of sale, all required fees and
43 a written statement of facts describing the dealer's efforts to secure the certificate of title
44 or certificate of origin to the vehicle. On receipt of the title application with attachments
45 as described herein, the department of revenue shall record the purchaser's ownership of
46 the vehicle and may authorize the dealer to issue a second thirty-day temporary certificate

47 of ownership. If the dealer does not produce the certificate of title or certificate of origin
48 to the vehicle before the expiration of the second temporary certificate, the purchaser's
49 ownership of the vehicle may terminate and he or she shall have the right to return the
50 vehicle as provided in subsection 2 of this section.

51 4. If the dealer is unable to produce the certificate of ownership or manufacturer's
52 statement of origin to the vehicle within the sixty-day period from the date of issuance of
53 the first temporary certificate, the department of revenue may extend temporary
54 ownership for a period of up to ninety additional days, provided the dealer makes
55 application in the format required by the department of revenue. If the dealer does not
56 produce the certificate of ownership or manufacturer's statement of origin to the vehicle
57 before the expiration of the additional ninety-day period, the purchaser's ownership of the
58 vehicle may terminate and the purchasers have the right to return the vehicle as provided
59 in subsection 2 of this section.

60 5. The board, upon a determination by the administrative hearing commission
61 pursuant to section 301.562 that the provisions of this section or the directions of the
62 director of revenue are not being complied with by a dealer, may suspend the right of the
63 dealer to issue temporary certificates of ownership.

301.571. 1. Every motor vehicle salesperson shall have such license upon his or her
2 person or displayed at his or her place of employment, except as provided in this section,
3 when engaged in motor vehicle sales business and shall display such license upon request.
4 The name and business address of the employer of the salesperson shall be stated on the
5 license.

6 2. In case of a change of employer of a licensed salesperson, the following procedure
7 shall be adhered to:

8 (1) The licensee shall, within three days following the change, mail or deliver his
9 or her license to the board for its endorsement of the change thereon. The license shall be
10 accompanied by a fee of five dollars for endorsing each change of employer and a written
11 statement of the licensee setting forth the name and business address of his or her new
12 employer, the date employment was terminated with the previous employer, and the date
13 employment commenced with the new employer;

14 (2) Upon receipt by the board of the licensee's license and fee, the board shall
15 immediately make an appropriate endorsement on the license showing the change of
16 employer and mail the license, as endorsed, to the licensee unless the board has obtained
17 a determination from the administrative hearing commission, as provided in section
18 301.562, that the licensee is subject to disciplinary action for any of the grounds
19 enumerated therein;

20 **(3) If, after the board receives the licensee's license and fee, the executive director**
21 **of the board cannot for any reason endorse and mail to the licensee such license within a**
22 **period of three days following such receipt by the board, then the executive director shall**
23 **mail to the licensee a permit in such form as the board shall prescribe, which permit shall**
24 **serve in lieu of a license until such time as the board endorses and mails the license to the**
25 **licensee or until such time as the licensee's license is revoked or suspended in accordance**
26 **with the provisions of section 301.562. If the license is ultimately revoked or suspended,**
27 **then immediately upon the revocation or suspension the licensee shall return the permit**
28 **to the board for cancellation;**

29 **(4) The commission shall maintain a permanent file with respect to all disciplinary**
30 **actions taken against licensed motor vehicle salespersons. Such file shall be available for**
31 **public inspection during the board's normal business hours and shall be subject to the**
32 **board's usual and customary copying fees;**

33 **(5) This section shall not be deemed to prohibit a salesperson who has not**
34 **previously been licensed or a transferee salesperson from selling during the time required**
35 **to process such application. The applicant shall be allowed to sell from the date of**
36 **employment as long as the applicant and the employing dealer follow the requirements for**
37 **application and licensure pursuant to sections 301.550 to 301.573.**

38 **3. It shall be unlawful for any motor vehicle salesperson licensed pursuant to**
39 **sections 301.550 to 301.573 to sell, or offer or attempt to sell, any motor vehicle except on**
40 **behalf of the licensed motor vehicle dealer by whom he or she is employed. Any person**
41 **violating this subsection shall be deemed to be acting as a motor vehicle dealer in violation**
42 **of section 301.559.**

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