

House \_\_\_\_\_ Amendment NO. \_\_\_\_\_

Offered By

1 AMEND House Committee Substitute for Senate Bill No. 686, Page 31, Section 301.451, Line 25, by  
2 inserting after all said section and line the following:

3  
4 "301.560. 1. In addition to the application forms prescribed by the department, each applicant shall  
5 submit the following to the department:

6 (1) Every application other than a renewal application for a motor vehicle franchise dealer shall  
7 include a certification that the applicant has a bona fide established place of business. Such application shall  
8 include an annual certification that the applicant has a bona fide established place of business for the first  
9 three years and only for every other year thereafter. The certification shall be performed by a uniformed  
10 member of the Missouri state highway patrol or authorized or designated employee stationed in the troop area  
11 in which the applicant's place of business is located; except that in counties of the first classification,  
12 certification may be performed by an officer of a metropolitan police department when the applicant's  
13 established place of business of distributing or selling motor vehicles or trailers is in the metropolitan area  
14 where the certifying metropolitan police officer is employed. When the application is being made for  
15 licensure as a boat manufacturer or boat dealer, certification shall be performed by a uniformed member of  
16 the Missouri state ~~[water]~~ highway patrol or authorized or designated employee stationed in the ~~[district area~~  
17 ~~in which the applicant's place of business is located or by a uniformed member of the Missouri state highway~~  
18 ~~patrol stationed in the]~~ troop area in which the applicant's place of business is located or, if the applicant's  
19 place of business is located within the jurisdiction of a metropolitan police department in a first class county,  
20 by an officer of such metropolitan police department. A bona fide established place of business for any new  
21 motor vehicle franchise dealer, used motor vehicle dealer, boat dealer, powersport dealer, wholesale motor  
22 vehicle dealer, trailer dealer, or wholesale or public auction shall be a permanent enclosed building or  
23 structure, either owned in fee or leased and actually occupied as a place of business by the applicant for the  
24 selling, bartering, trading, servicing, or exchanging of motor vehicles, boats, personal watercraft, or trailers  
25 and wherein the public may contact the owner or operator at any reasonable time, and wherein shall be kept  
26 and maintained the books, records, files and other matters required and necessary to conduct the business.  
27 The applicant shall maintain a working telephone number during the entire registration year which will allow  
28 the public, the department, and law enforcement to contact the applicant during regular business hours. The  
29 applicant shall also maintain an email address during the entire registration year which may be used for  
30 official correspondence with the department. In order to qualify as a bona fide established place of business  
31 for all applicants licensed pursuant to this section there shall be an exterior sign displayed carrying the name  
32 of the business set forth in letters at least six inches in height and clearly visible to the public and there shall  
33 be an area or lot which shall not be a public street on which multiple vehicles, boats, personal watercraft, or  
34 trailers may be displayed. The sign shall contain the name of the dealership by which it is known to the  
35 public through advertising or otherwise, which need not be identical to the name appearing on the  
36 dealership's license so long as such name is registered as a fictitious name with the secretary of state, has  
37 been approved by its line-make manufacturer in writing in the case of a new motor vehicle franchise dealer  
38 and a copy of such fictitious name registration has been provided to the department. Dealers who sell only  
39 emergency vehicles as defined in section 301.550 are exempt from maintaining a bona fide place of business,  
40 including the related law enforcement certification requirements, and from meeting the minimum yearly

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1 sales;

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

10 (3) Every applicant as a new motor vehicle franchise dealer, a used motor vehicle dealer, a  
11 powersport dealer, a wholesale motor vehicle dealer, trailer dealer, or boat dealer shall furnish with the  
12 application a corporate surety bond or an irrevocable letter of credit as defined in section 400.5-102, issued  
13 by any state or federal financial institution in the penal sum of fifty thousand dollars on a form approved by  
14 the department. The bond or irrevocable letter of credit shall be conditioned upon the dealer complying with  
15 the provisions of the statutes applicable to new motor vehicle franchise dealers, used motor vehicle dealers,  
16 powersport dealers, wholesale motor vehicle dealers, trailer dealers, and boat dealers, and the bond shall be  
17 an indemnity for any loss sustained by reason of the acts of the person bonded when such acts constitute  
18 grounds for the suspension or revocation of the dealer's license. The bond shall be executed in the name of  
19 the state of Missouri for the benefit of all aggrieved parties or the irrevocable letter of credit shall name the  
20 state of Missouri as the beneficiary; except, that the aggregate liability of the surety or financial institution to  
21 the aggrieved parties shall, in no event, exceed the amount of the bond or irrevocable letter of credit. The  
22 proceeds of the bond or irrevocable letter of credit shall be paid upon receipt by the department of a final  
23 judgment from a Missouri court of competent jurisdiction against the principal and in favor of an aggrieved  
24 party. Additionally, every applicant as a new motor vehicle franchise dealer, a used motor vehicle dealer, a  
25 powersport dealer, a wholesale motor vehicle dealer, or boat dealer shall furnish with the application a copy  
26 of a current dealer garage policy bearing the policy number and name of the insurer and the insured;

27 (4) Payment of all necessary license fees as established by the department. In establishing the  
28 amount of the annual license fees, the department shall, as near as possible, produce sufficient total income to  
29 offset operational expenses of the department relating to the administration of sections 301.550 to 301.580.  
30 All fees payable pursuant to the provisions of sections 301.550 to 301.580, other than those fees collected for  
31 the issuance of dealer plates or certificates of number collected pursuant to subsection 6 of this section, shall  
32 be collected by the department for deposit in the state treasury to the credit of the "Motor Vehicle  
33 Commission Fund", which is hereby created. The motor vehicle commission fund shall be administered by  
34 the Missouri department of revenue. The provisions of section 33.080 to the contrary notwithstanding,  
35 money in such fund shall not be transferred and placed to the credit of the general revenue fund until the  
36 amount in the motor vehicle commission fund at the end of the biennium exceeds two times the amount of the  
37 appropriation from such fund for the preceding fiscal year or, if the department requires permit renewal less  
38 frequently than yearly, then three times the appropriation from such fund for the preceding fiscal year. The  
39 amount, if any, in the fund which shall lapse is that amount in the fund which exceeds the multiple of the  
40 appropriation from such fund for the preceding fiscal year.

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

47 3. Except as otherwise provided in subsection 6 of this section, upon the initial issuance of a license  
48 by the department, the department shall assign a distinctive dealer license number or certificate of number to  
49 the applicant and the department shall issue one number plate or certificate bearing the distinctive dealer  
50 license number or certificate of number and two additional number plates or certificates of number within  
51 eight working hours after presentment of the application and payment by the applicant of a fee of fifty dollars  
52 for the first plate or certificate and ten dollars and fifty cents for each additional plate or certificate. Upon  
53 renewal, the department shall issue the distinctive dealer license number or certificate of number as quickly

1 as possible. The issuance of such distinctive dealer license number or certificate of number shall be in lieu of  
 2 registering each motor vehicle, trailer, vessel or vessel trailer dealt with by a boat dealer, boat manufacturer,  
 3 manufacturer, public motor vehicle auction, wholesale motor vehicle dealer, wholesale motor vehicle auction  
 4 or new or used motor vehicle dealer. The license plates described in this section shall be made with fully  
 5 reflective material with a common color scheme and design, shall be clearly visible at night, and shall be  
 6 aesthetically attractive, as prescribed by section 301.130.

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

9  
 10 New motor vehicle franchise dealers D-0 through D-999  
 11 New powersport dealers D-1000 through D-1999  
 12 Used motor vehicle and used powersport dealers D-2000 through D-9999  
 13 Wholesale motor vehicle dealers W-0 through W-1999  
 14 Wholesale motor vehicle auctions WA-0 through WA-999  
 15 New and used trailer dealers T-0 through T-9999  
 16 Motor vehicle, trailer, and boat manufacturers DM-0 through DM-999  
 17 Public motor vehicle auctions A-0 through A-1999  
 18 Boat dealers M-0 through M-9999  
 19 New and used recreational motor vehicle dealers RV-0 through RV-999  
 20

21 For purposes of this subsection, qualified transactions shall include the purchase of salvage titled vehicles by  
 22 a licensed salvage dealer. A used motor vehicle dealer who also holds a salvage dealer's license shall be  
 23 allowed one additional plate or certificate number per fifty-unit qualified transactions annually. In order for  
 24 salvage dealers to obtain number plates or certificates under this section, dealers shall submit to the  
 25 department of revenue on August first of each year a statement certifying, under penalty of perjury, the  
 26 dealer's number of purchases during the reporting period of July first of the immediately preceding year to  
 27 June thirtieth of the present year. The provisions of this subsection shall become effective on the date the  
 28 director of the department of revenue begins to reissue new license plates under section 301.130, or on  
 29 December 1, 2008, whichever occurs first. If the director of revenue begins reissuing new license plates  
 30 under the authority granted under section 301.130 prior to December 1, 2008, the director of the department  
 31 of revenue shall notify the revisor of statutes of such fact.

32 5. Upon the sale of a currently licensed motor vehicle dealership the department shall, upon request,  
 33 authorize the new approved dealer applicant to retain the selling dealer's license number and shall cause the  
 34 new dealer's records to indicate such transfer. If the new approved dealer applicant elects not to retain the  
 35 selling dealer's license number, the department shall issue the new dealer applicant a new dealer's license  
 36 number and an equal number of plates or certificates as the department had issued to the selling dealer.

37 6. In the case of motor vehicle dealers, the department shall issue one number plate bearing the  
 38 distinctive dealer license number and may issue one additional number plate to the applicant upon payment  
 39 by the dealer of a fifty dollar fee for the number plate bearing the distinctive dealer license number and ten  
 40 dollars and fifty cents for the additional number plate. The department may issue a third plate to the motor  
 41 vehicle dealer upon completion of the dealer's fifteenth qualified transaction and payment of a fee of ten  
 42 dollars and fifty cents. In the case of new motor vehicle manufacturers, powersport dealers, recreational  
 43 motor vehicle dealers, and trailer dealers, the department shall issue one number plate bearing the distinctive  
 44 dealer license number and may issue two additional number plates to the applicant upon payment by the  
 45 manufacturer or dealer of a fifty dollar fee for the number plate bearing the distinctive dealer license number  
 46 and ten dollars and fifty cents for each additional number plate. Boat dealers and boat manufacturers shall be  
 47 entitled to one certificate of number bearing such number upon the payment of a fifty dollar fee. Additional  
 48 number plates and as many additional certificates of number may be obtained upon payment of a fee of ten  
 49 dollars and fifty cents for each additional plate or certificate. New motor vehicle manufacturers shall not be  
 50 issued or possess more than three hundred forty-seven additional number plates or certificates of number  
 51 annually. New and used motor vehicle dealers, powersport dealers, wholesale motor vehicle dealers, boat  
 52 dealers, and trailer dealers are limited to one additional plate or certificate of number per ten-unit qualified  
 53 transactions annually. New and used recreational motor vehicle dealers are limited to two additional plates or

1 certificate of number per ten-unit qualified transactions annually for their first fifty transactions and one  
2 additional plate or certificate of number per ten-unit qualified transactions thereafter. An applicant seeking  
3 the issuance of an initial license shall indicate on his or her initial application the applicant's proposed annual  
4 number of sales in order for the director to issue the appropriate number of additional plates or certificates of  
5 number. A motor vehicle dealer, trailer dealer, boat dealer, powersport dealer, recreational motor vehicle  
6 dealer, motor vehicle manufacturer, boat manufacturer, or wholesale motor vehicle dealer obtaining a  
7 distinctive dealer license plate or certificate of number or additional license plate or additional certificate of  
8 number, throughout the calendar year, shall be required to pay a fee for such license plates or certificates of  
9 number computed on the basis of one-twelfth of the full fee prescribed for the original and duplicate number  
10 plates or certificates of number for such dealers' licenses, multiplied by the number of months remaining in  
11 the licensing period for which the dealer or manufacturers shall be required to be licensed. In the event of a  
12 renewing dealer, the fee due at the time of renewal shall not be prorated. Wholesale and public auctions shall  
13 be issued a certificate of dealer registration in lieu of a dealer number plate. In order for dealers to obtain  
14 number plates or certificates under this section, dealers shall submit to the department of revenue on August  
15 first of each year a statement certifying, under penalty of perjury, the dealer's number of sales during the  
16 reporting period of July first of the immediately preceding year to June thirtieth of the present year.

17 7. The plates issued pursuant to subsection 3 or 6 of this section may be displayed on any motor  
18 vehicle owned by a new motor vehicle manufacturer. The plates issued pursuant to subsection 3 or 6 of this  
19 section may be displayed on any motor vehicle or trailer owned and held for resale by a motor vehicle dealer  
20 for use by a customer who is test driving the motor vehicle, for use by any customer while the customer's  
21 vehicle is being serviced or repaired by the motor vehicle dealer, for use and display purposes during, but not  
22 limited to, parades, private events, charitable events, or for use by an employee or officer, but shall not be  
23 displayed on any motor vehicle or trailer hired or loaned to others or upon any regularly used service or  
24 wrecker vehicle. Motor vehicle dealers may display their dealer plates on a tractor, truck or trailer to  
25 demonstrate a vehicle under a loaded condition. Trailer dealers may display their dealer license plates in like  
26 manner, except such plates may only be displayed on trailers owned and held for resale by the trailer dealer.

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

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

37 10. (1) Every application for the issuance of a used motor vehicle dealer's license shall be  
38 accompanied by proof that the applicant, within the last twelve months, has completed an educational  
39 seminar course approved by the department as prescribed by subdivision (2) of this subsection. Wholesale  
40 and public auto auctions and applicants currently holding a new or used license for a separate dealership shall  
41 be exempt from the requirements of this subsection. The provisions of this subsection shall not apply to  
42 current new motor vehicle franchise dealers or motor vehicle leasing agencies or applicants for a new motor  
43 vehicle franchise or a motor vehicle leasing agency. The provisions of this subsection shall not apply to used  
44 motor vehicle dealers who were licensed prior to August 28, 2006.

45 (2) The educational seminar shall include, but is not limited to, the dealer requirements of sections  
46 301.550 to 301.580, the rules promulgated to implement, enforce, and administer sections 301.550 to  
47 301.580, and any other rules and regulations promulgated by the department.

48 301.564. 1. Any person or his agent licensed or registered as a manufacturer, motor vehicle dealer,  
49 wholesale motor vehicle dealer, boat dealer, wholesale motor vehicle auction or a public motor vehicle  
50 auction pursuant to the provisions of sections 301.550 to 301.580 shall permit an employee of the department  
51 of revenue or any law enforcement official to inspect, during normal business hours, any of the following  
52 documents which are in his possession or under his custody or control:

53 (1) Any title to any motor vehicle or vessel;

- 1 (2) Any application for title to any motor vehicle or vessel;
- 2 (3) Any affidavit provided pursuant to sections 301.550 to 301.580 or chapter 407;
- 3 (4) Any assignment of title to any motor vehicle or vessel;
- 4 (5) Any disclosure statement or other document relating to mileage or odometer readings required by
- 5 the laws of the United States or any other state;
- 6 (6) Any inventory and related documentation.
- 7 2. For purposes of this section, the term "law enforcement official" shall mean any of the following:
- 8 (1) Attorney general, or any person designated by him to make such an inspection;
- 9 (2) Any prosecuting attorney or any person designated by a prosecuting attorney to make such an
- 10 inspection;
- 11 (3) Any member or authorized or designated employee of the Missouri state highway patrol [~~or~~
- 12 ~~water patrol~~];
- 13 (4) Any sheriff or deputy sheriff;
- 14 (5) Any peace officer certified pursuant to chapter 590 acting in his official capacity."; and
- 15
- 16 Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.