

SENATE No. 154

The Commonwealth of Massachusetts

PRESENTED BY:

James E. Timilty

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act relative to Class 2 motor vehicle licensees.

PETITION OF:

NAME:

James E. Timilty

DISTRICT/ADDRESS:

Bristol and Norfolk

SENATE No. 154

By Mr. Timilty, a petition (accompanied by bill, Senate, No. 154) of James E. Timilty for legislation relative to Class 2 motor vehicle licensees. Consumer Protection and Professional Licensure.

The Commonwealth of Massachusetts

In the Year Two Thousand Thirteen

An Act relative to Class 2 motor vehicle licensees.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 58 of Chapter 140 of the General Laws, as appearing in the 2010
2 Official Edition, is hereby amended by inserting after clause (8) of subsection (c) the following:

3 (9) The dealer’s business is situated within a permanent building or permanently affixed
4 structure, owned or leased by the dealer for the dealer’s exclusive use. Except for a dealer who
5 exchanges vehicles or trailers solely on a wholesale basis, the dealer shall be open to the public.
6 The building, structure, shall have adequate office space to conduct the business and hours of
7 operation shall be posted. If more than one business is located within the same building or
8 structure, the dealer shall maintain a separate and exclusive entrance. Subject to any municipal
9 regulation, ordinance or bylaw, and except for a dealer who exchanges motor vehicles or trailers
10 solely on a wholesale basis, the dealer shall display a permanently affixed exterior sign of
11 sufficient size and design to give the general public notice of the name, telephone number and
12 nature of the business. Except for a dealer who exchanges motor vehicles or trailers solely on a
13 wholesale basis, the dealer shall have an area to display the vehicles offered for sale, which
14 cannot be shared with any other business unless a clear physical separation exists. Vehicles
15 cannot be offered for sale at any other location; however, this shall not prohibit a dealer from
16 transporting and offering vehicles for sale at a recognized automobile auction facility, or a
17 combined dealer special sale event. A municipal licensing authority shall issue only one Class 2
18 license for a building at a specific street address.

19 SECTION 2. Notwithstanding any general or special law to the contrary the Registry of
20 Motor Vehicles is hereby directed to establish a standard application form for applicants for a
21 Class 2 license pursuant to Section 58 of Chapter 140 which shall be utilized by all licensing

22 authorities issuing said Class 2 license. The application shall include, but not be limited to, the
23 name and address of the applicant, the name and address of the motor vehicle dealership, a box
24 to be checked confirming evidence of a \$25,000 bond and its certificate number or equivalent
25 certificate of deposit or irrevocable letter of credit, a box to be checked confirming compliance
26 with Class 2 licensee education requirements including the education certificate number, a box to
27 be checked for wholesale dealer which shall include the following text “a checkmark in this box
28 shall prohibit such licensee from selling motor vehicles to the retail public”. The municipal
29 licensing authority shall clearly indicate on the Class 2 license for wholesale only. A Class 2
30 licensee with a wholesale only license who sells at retail shall be subject to a fine of \$5000
31 payable to the municipal licensing authority and immediate revocation of the Class 2 license by
32 the licensing authority. The municipal licensing authority shall transmit a copy of said completed
33 application to the Registrar of Motor Vehicles and to the Department of Revenue.