

SECOND REGULAR SESSION

HOUSE BILL NO. 2173

101ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE FRANCIS.

4490H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal section 301.550, RSMo, and to enact in lieu thereof one new section relating to motor vehicle dealers.

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

Section A. Section 301.550, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 301.550, to read as follows:

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

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

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

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EXPLANATION — Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

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

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

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

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

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

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

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

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

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

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

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

42 (8) "Motor vehicle dealer" or "dealer", any person who, for commission or with an
43 intent to make a profit or gain of money or other thing of value, sells, barter, exchanges,
44 leases or rents with the option to purchase, or who offers or attempts to sell or negotiates the
45 sale of motor vehicles or trailers whether or not the motor vehicles or trailers are owned by
46 such person; provided, however, an individual auctioneer or auction conducted by an
47 auctioneer licensed pursuant to chapter 343 shall not be included within the definition of a
48 motor vehicle dealer. The sale of ~~eight~~ **sixteen** or more motor vehicles or trailers in ~~any~~
49 ~~calendar year~~ **the preceding two-year license period** shall be required as evidence that such
50 person is engaged in the motor vehicle business and is eligible for licensure as a motor vehicle
51 dealer under sections 301.550 to 301.580. Any licensed motor vehicle dealer failing to meet
52 the minimum vehicle sales requirements as referenced in this subsection shall not be qualified

53 to renew his or her license for one year. To be eligible for license renewal, applicants shall
54 meet the minimum requirement of ~~[eight]~~ **sixteen** sales ~~[per year]~~ **during the preceding two-**
55 **years;**

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

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

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

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

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

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

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

81 (16) "Trailer dealer", any person selling, either exclusively or otherwise, trailers as
82 defined in section 301.010. A trailer dealer may acquire a motor vehicle for resale only as a
83 trade-in for a trailer. Notwithstanding the provisions of section 301.010 and section 301.069,
84 trailer dealers may purchase one driveaway license plate to display such motor vehicle for
85 demonstration purposes. The sale of six or more trailers in any calendar year shall be
86 required as evidence that such person is engaged in the trailer business and is eligible for
87 licensure as a trailer dealer under sections 301.550 to 301.580. Any licensed trailer dealer
88 failing to meet the minimum trailer and vehicle sales requirements as referenced in this

89 subsection shall not be qualified to renew his or her license for one year. Applicants who
90 reapply after the one-year period shall meet the requirement of six sales per year;

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

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

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

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

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

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

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

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

118 (1) Boat dealers;

119 (2) Franchised new motor vehicle dealers;

120 (3) Used motor vehicle dealers;

121 (4) Wholesale motor vehicle dealers;

122 (5) Recreational motor vehicle dealers;

123 (6) Historic motor vehicle dealers;

124 (7) Classic motor vehicle dealers;

125 (8) Powersport dealers; and

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126 (9) Trailer dealers.

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