

CONFERENCE COMMITTEE SUBSTITUTE FOR
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 707

AN ACT

To repeal sections 301.213, 301.550, 301.553, 301.557, 301.559, 301.560, 301.562, 301.563, 301.564, 301.566, 301.568, 301.570, and 307.350, RSMo, and to enact in lieu thereof thirteen new sections relating to vehicle sales, with existing penalty provisions.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI, AS FOLLOWS:

1 Section A. Sections 301.213, 301.550, 301.553, 301.557,
2 301.559, 301.560, 301.562, 301.563, 301.564, 301.566, 301.568,
3 301.570, and 307.350, RSMo, are repealed and thirteen new
4 sections enacted in lieu thereof, to be known as sections
5 301.213, 301.550, 301.553, 301.557, 301.559, 301.560, 301.562,
6 301.563, 301.564, 301.566, 301.568, 301.570, and 307.350, to read
7 as follows:

8 301.213. 1. Notwithstanding the provisions of sections
9 301.200 and 301.210, any person licensed as a motor vehicle
10 dealer under sections 301.550 to 301.580 that has provided to the
11 director of revenue a surety bond or irrevocable letter of credit
12 in an amount not less than one hundred thousand dollars in a form
13 which complies with the requirements of section 301.560 and in
14 lieu of the [twenty-five] fifty thousand dollar bond otherwise
15 required for licensure as a motor vehicle dealer shall be

1 authorized to purchase or accept in trade any motor vehicle for
2 which there has been issued a certificate of ownership, and to
3 receive such vehicle subject to any existing liens thereon
4 created and perfected under sections 301.600 to 301.660 provided
5 the licensed dealer receives the following:

6 (1) A signed written contract between the licensed dealer
7 and the owner of the vehicle outlining the terms of the sale or
8 acceptance in trade of such motor vehicle without transfer of the
9 certificate of ownership; and

10 (2) Physical delivery of the vehicle to the licensed
11 dealer; and

12 (3) A power of attorney from the owner to the licensed
13 dealer, in accordance with subsection 4 of section 301.300,
14 authorizing the licensed dealer to obtain a duplicate or
15 replacement title in the owner's name and sign any title
16 assignments on the owner's behalf.

17 2. If the dealer complies with the requirements of
18 subsection 1 of this section, the sale or trade of the vehicle to
19 the dealer shall be considered final, subject to any existing
20 liens created and perfected under sections 301.600 to 301.660.
21 Once the prior owner of the motor vehicle has physically
22 delivered the motor vehicle to the licensed dealer, the prior
23 owners' insurable interest in such vehicle shall cease to exist.

24 3. If a licensed dealer complies with the requirements of
25 subsection 1 of this section, and such dealer has provided to the
26 director of revenue a surety bond or irrevocable letter of credit
27 in amount not less than one hundred thousand dollars in a form
28 which complies with the requirements of section 301.560 and in

1 lieu of the [twenty-five] fifty thousand dollar bond otherwise
2 required for licensure as a motor vehicle dealer, such dealer may
3 sell such vehicle prior to receiving and assigning to the
4 purchaser the certificate of ownership, provided such dealer
5 complies with the following:

6 (1) All outstanding liens created on the vehicle pursuant
7 to sections 301.600 to 301.660 have been paid in full, and the
8 dealer provides a copy of proof or other evidence to the
9 purchaser; and

10 (2) The dealer has obtained proof or other evidence from
11 the department of revenue confirming that no outstanding child
12 support liens exist upon the vehicle at the time of sale and
13 provides a copy of said proof or other evidence to the purchaser;
14 and

15 (3) The dealer has obtained proof or other evidence from
16 the department of revenue confirming that all applicable state
17 sales tax has been satisfied on the sale of the vehicle to the
18 previous owner and provides a copy of said proof or other
19 evidence to the purchaser; and

20 (4) The dealer has signed an application for duplicate or
21 replacement title for the vehicle under subsection 4 of section
22 301.300 and provides a copy of the application to the purchaser,
23 along with a copy of the power of attorney required by subsection
24 1 of this section, and the dealer has prepared and delivered to
25 the purchaser an application for title for the vehicle in the
26 purchaser's name; and

27 (5) The dealer and the purchaser have entered into a
28 written agreement for the subsequent assignment and delivery of

1 such certificate of ownership, on a form prescribed by the
2 director of revenue, to take place at a time, not to exceed sixty
3 calendar days, after the time of delivery of the motor vehicle to
4 the purchaser. Such agreement shall require the purchaser to
5 provide to the dealer proof of financial responsibility in
6 accordance with chapter 303 and proof of comprehensive and
7 collision coverage on the motor vehicle. Such dealer shall
8 maintain the original or an electronic copy of the signed
9 agreement and deliver a copy of the signed agreement to the
10 purchaser. Such dealer shall also complete and deliver to the
11 director of revenue such form as the director shall prescribe
12 demonstrating that the purchaser has purchased the vehicle
13 without contemporaneous delivery of the title.

14
15 Notwithstanding any provision of law to the contrary, completion
16 of the requirements of this subsection shall constitute prima
17 facie evidence of an ownership interest vested in the purchaser
18 of the vehicle for all purposes other than for a subsequent
19 transfer of ownership of the vehicle by the purchaser, subject to
20 the rights of any secured lienholder of record; however, the
21 purchaser may use the dealer-supplied copy of the agreement to
22 transfer his or her ownership of the vehicle to an insurance
23 company in situations where the vehicle has been declared salvage
24 or a total loss by the insurance company as a result of a
25 settlement of a claim. Such insurance company may apply for a
26 salvage certificate of title or junking certificate pursuant to
27 the provisions of subsection 3 of section 301.193 in order to
28 transfer its interest in such vehicle. The purchaser may also

1 use the dealer-supplied copy of the agreement on the form
2 prescribed by the director of revenue as proof of ownership
3 interest. Any lender or insurance company may rely upon a copy
4 of the signed written agreement on the form prescribed by the
5 director of revenue as proof of ownership interest. Any lien
6 placed upon a vehicle based upon such signed written agreement
7 shall be valid and enforceable, notwithstanding the absence of a
8 certificate of ownership.

9 4. Following a sale or other transaction in which a
10 certificate of ownership has not been assigned from the owner to
11 the licensed dealer, the dealer shall, within ten business days,
12 apply for a duplicate or replacement certificate of ownership.
13 Upon receipt of a duplicate or replacement certificate of
14 ownership applied for under subsection 4 of section 301.300, the
15 dealer shall assign and deliver said certificate of ownership to
16 the purchaser of the vehicle within five business days. The
17 dealer shall maintain proof of the assignment and delivery of the
18 certificate of ownership to the purchaser. For purposes of this
19 subsection, a dealer shall be deemed to have delivered the
20 certificate of ownership to the purchaser upon either:

21 (1) Physical delivery of the certificate of ownership to
22 any of the purchasers identified in the contract with such
23 dealer; or

24 (2) Mailing of the certificate, postage prepaid, return
25 receipt requested, to any of the purchasers at any of their
26 addresses identified in the contract with such dealer.

27 5. If a licensed dealer fails to comply with subsection 3
28 of this section, and the purchaser of the vehicle is thereby

1 damaged, then the dealer shall be liable to the purchaser of the
2 vehicle for actual damages, plus court costs and reasonable
3 attorney fees.

4 6. If a licensed dealer fails or is unable to comply with
5 subsection 4 of this section, and the purchaser of the vehicle is
6 thereby damaged, then the dealer shall be liable to the purchaser
7 of the vehicle for actual damages, plus court costs and
8 reasonable attorney fees. If the dealer cannot be found by the
9 purchaser after making reasonable attempts, or if the dealer
10 fails to assign and deliver the duplicate or replacement
11 certificate of ownership to the purchaser by the date agreed upon
12 by the dealer and the purchaser, as required by subsection 4 of
13 this section, then the purchaser may deliver to the director a
14 copy of the contract for sale of the vehicle, a copy of the
15 application for duplicate title provided by the dealer to the
16 purchaser, a copy of the secure power of attorney allowing the
17 dealer to assign the duplicate title, and the proof or other
18 evidence obtained by the purchaser from the dealer under
19 subsection 3 of this section. Thereafter, the director shall
20 mail by certified mail, return receipt requested, a notice to the
21 dealer at the last address given to the department by that
22 dealer. That notice shall inform the dealer that the director
23 intends to cancel any prior certificate of title which may have
24 been issued to the dealer on the vehicle and issue to the
25 purchaser a certificate of title in the name of the purchaser,
26 subject to any liens incurred by the purchaser in connection with
27 the purchase of the vehicle, unless the dealer, within ten
28 business days from the date of the director's notice, files with

1 the director a written objection to the director taking such
2 action. If the dealer does file a timely, written objection with
3 the director, then the director shall not take any further action
4 without an order from a court of competent jurisdiction.

5 However, if the dealer does not file a timely, written objection
6 with the director, then the director shall cancel the prior
7 certificate of title issued to the dealer on the vehicle and
8 issue a certificate of title to the purchaser of the vehicle,
9 subject to any liens incurred by the purchaser in connection with
10 the purchase of the vehicle and subject to the purchaser
11 satisfying all applicable taxes and fees associated with
12 registering the vehicle.

13 7. If a seller misrepresents to a dealer that the seller is
14 the owner of a vehicle and the dealer, the owner, any subsequent
15 purchaser, or any prior or subsequent lienholder is thereby
16 damaged, then the seller shall be liable to each such party for
17 actual and punitive damages, plus court costs and reasonable
18 attorney fees.

19 8. When a lienholder is damaged as a result of a licensed
20 dealer's acts, errors, omissions, or violations of this section,
21 then the dealer shall be liable to the lienholder for actual
22 damages, plus court costs and reasonable attorney fees.

23 9. No court costs or attorney fees shall be awarded under
24 this section unless, prior to filing any such action, the
25 following conditions have been met:

26 (1) The aggrieved party seeking damages has delivered an
27 itemized written demand of the party's actual damages to the
28 party from whom damages are sought; and

1 (2) The party from whom damages are sought has not
2 satisfied the written demand within thirty days after receipt of
3 the written demand.

4 10. The department of revenue may use a dealer's repeated
5 or intentional violation of this section as a cause to suspend,
6 revoke, or refuse to issue or renew any license required pursuant
7 to sections 301.550 to 301.580, in addition to the causes set
8 forth in section 301.562. The hearing process shall be the same
9 as that established in subsection 6 of section 301.562.

10 301.550. 1. The definitions contained in section 301.010
11 shall apply to sections 301.550 to ~~[301.573]~~ 301.580, and in
12 addition as used in sections 301.550 to ~~[301.573]~~ 301.580, the
13 following terms mean:

14 (1) "Boat dealer", any natural person, partnership, or
15 corporation who, for a commission or with an intent to make a
16 profit or gain of money or other thing of value, sells, barter,
17 exchanges, leases or rents with the option to purchase, offers,
18 attempts to sell, or negotiates the sale of any vessel or vessel
19 trailer, whether or not the vessel or vessel trailer is owned by
20 such person. The sale of six or more vessels or vessel trailers
21 or both in any calendar year shall be required as evidence that
22 such person is eligible for licensure as a boat dealer under
23 sections 301.550 to ~~[301.573]~~ 301.580. The boat dealer shall
24 demonstrate eligibility for renewal of his license by selling six
25 or more vessels or vessel trailers or both in the prior calendar
26 year while licensed as a boat dealer pursuant to sections 301.550
27 to ~~[301.573]~~ 301.580;

28 (2) "Boat manufacturer", any person engaged in the

1 manufacturing, assembling or modification of new vessels or
2 vessel trailers as a regular business, including a person,
3 partnership or corporation which acts for and is under the
4 control of a manufacturer or assembly in connection with the
5 distribution of vessels or vessel trailers;

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

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

9 (5) "Emergency vehicles", motor vehicles used as
10 ambulances, law enforcement vehicles, and fire fighting and
11 assistance vehicles;

12 (6) "Manufacturer", any person engaged in the
13 manufacturing, assembling or modification of new motor vehicles
14 or trailers as a regular business, including a person,
15 partnership or corporation which acts for and is under the
16 control of a manufacturer or assembly in connection with the
17 distribution of motor vehicles or accessories for motor vehicles;

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

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

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

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

28 (d) A public motor vehicle auction or wholesale motor

1 vehicle auction where buyers are licensed dealers in this or any
2 other jurisdiction;

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

9 provided, however, an individual auctioneer or auction conducted
10 by an auctioneer licensed pursuant to chapter 343 shall not be
11 included within the definition of a motor vehicle dealer. The
12 sale of ~~[six]~~ eight or more motor vehicles or trailers in any
13 calendar year shall be required as evidence that such person is
14 engaged in the motor vehicle business and is eligible for
15 licensure as a motor vehicle dealer under sections 301.550 to
16 ~~[301.573]~~ 301.580. ~~[Any motor vehicle dealer licensed before~~
17 ~~August 28, 2007,~~ shall be required to meet the minimum calendar
18 year sales of six or more motor vehicles provided the dealer can
19 prove the business achieved, cumulatively, six or more sales per
20 year for the preceding twenty-four months in business; or if the
21 dealer has not been in business for twenty-four months, the
22 cumulative equivalent of one sale every two months for the months
23 the dealer has been in business before August 28, 2007.] Any
24 licensed motor vehicle dealer failing to meet the minimum vehicle
25 sales requirements as referenced in this subsection shall not be
26 qualified to renew his or her license for one year. To be
27 eligible for license renewal, applicants ~~[who reapply after the~~
28 ~~one-year period]~~ shall meet the minimum requirement of ~~[six]~~

1 eight sales per year;

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

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

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

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

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

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

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

9 (16) "Trailer dealer", any person selling, either
10 exclusively or otherwise, trailers as defined in section 301.010.
11 A trailer dealer may acquire a motor vehicle for resale only as a
12 trade-in for a trailer. Notwithstanding the provisions of
13 section 301.010 and section 301.069, trailer dealers may purchase
14 one driveaway license plate to display such motor vehicle for
15 demonstration purposes. The sale of six or more trailers in any
16 calendar year shall be required as evidence that such person is
17 engaged in the trailer business and is eligible for licensure as
18 a trailer dealer under sections 301.550 to ~~[301.573]~~ 301.580.

19 [Any trailer dealer licensed before August 28, 2007, shall be
20 required to meet the minimum calendar year sales of six or more
21 trailers provided the dealer can prove the business achieved,
22 cumulatively, six or more sales per year for the preceding
23 twenty-four months in business; or if the dealer has not been in
24 business for twenty-four months, the cumulative equivalent of one
25 sale every two months for the months the dealer has been in
26 business before August 28, 2007.] Any licensed trailer dealer
27 failing to meet the minimum trailer and vehicle sales
28 requirements as referenced in this subsection shall not be

1 qualified to renew his or her license for one year. Applicants
2 who reapply after the one-year period shall meet the requirement
3 of six sales per year;

4 (17) "Used motor vehicle", any motor vehicle which is not a
5 new motor vehicle, as defined in sections 301.550 to [301.573]
6 301.580, and which has been sold, bartered, exchanged or given
7 away or which may have had a title issued in this state or any
8 other state, or a motor vehicle so used as to be what is commonly
9 known as a secondhand motor vehicle. In the event of an
10 assignment of the statement of origin from an original franchise
11 dealer to any individual or other motor vehicle dealer other than
12 a new motor vehicle franchise dealer of the same make, the
13 vehicle so assigned shall be deemed to be a used motor vehicle
14 and a certificate of ownership shall be obtained in the
15 assignee's name. The term "used motor vehicle" shall not include
16 manufactured homes, as defined in section 700.010;

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

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

21 (20) "Vessel trailer", any trailer, as defined by section
22 301.010 which is designed and manufactured for the purposes of
23 transporting vessels;

24 (21) "Wholesale motor vehicle auction", any person, firm or
25 corporation in the business of providing auction services solely
26 in wholesale transactions at its established place of business in
27 which the purchasers are motor vehicle dealers licensed by this
28 or any other jurisdiction, and which neither buys, sells nor owns

1 the motor vehicles it auctions in the ordinary course of its
2 business. Except as required by law with regard to the auction
3 sale of a government-owned motor vehicle, a wholesale motor
4 vehicle auction shall not provide auction services in connection
5 with the retail sale of a motor vehicle;

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

10 2. For purposes of sections 301.550 to ~~[301.573]~~ 301.580,
11 neither the term motor vehicle nor the term trailer shall include
12 manufactured homes, as defined in section 700.010.

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

- 14 (1) Boat dealers;
- 15 (2) Franchised new motor vehicle dealers;
- 16 (3) Used motor vehicle dealers;
- 17 (4) Wholesale motor vehicle dealers;
- 18 (5) Recreational motor vehicle dealers;
- 19 (6) Historic motor vehicle dealers;
- 20 (7) Classic motor vehicle dealers;
- 21 (8) Powersport dealers; and
- 22 (9) Trailer dealers.

23 301.553. 1. The department of revenue shall be responsible
24 for the licensing of all manufacturers, motor vehicle dealers,
25 boat dealers, wholesale motor vehicle auctions, public motor
26 vehicle auctions and wholesale motor vehicle dealers pursuant to
27 the provisions of sections 301.550 to ~~[301.573]~~ 301.580 and the
28 rules and regulations which it may adopt.

1 2. All the powers, duties and functions of the Missouri
2 motor vehicle commission, sections 301.550 to 301.573, in effect
3 immediately prior to July 1, 1997, are transferred by type I
4 transfer, as provided in the Omnibus State Reorganization Act of
5 1974, to the department of revenue. The rules and regulations
6 adopted by the commission which were adopted pursuant to this
7 section prior to July 1, 1997, shall continue in effect after
8 July 1, 1997.

9 3. All orders or decisions of the department shall be in
10 writing, signed by the director and the official seal affixed
11 thereto.

12 4. The department shall have the authority to promulgate
13 those rules and regulations necessary to perform the provisions
14 of sections 301.550 to ~~301.573~~ 301.580 and is vested with those
15 powers and duties necessary and proper to enable it to fully and
16 effectively carry out the provisions of sections 301.550 to
17 ~~301.573~~ 301.580. No rule or portion of a rule promulgated
18 under the authority of sections 301.550 to ~~301.573~~ 301.580
19 shall become effective unless it has been promulgated pursuant to
20 the provisions of section 536.024.

21 301.557. 1. The duties of the director shall include, but
22 not be limited to:

23 (1) The supervision and direction of the activities of the
24 department's employees;

25 (2) Keeping custody of the department's official seal and
26 affixing of this seal to all licenses and orders issued by the
27 department pursuant to sections 301.550 to ~~301.573~~ 301.580;

28 (3) The receipt and prompt disposition of all

1 correspondence or inquiries directed to the department;

2 (4) Maintaining a record of total number of annual new
3 motor vehicle sales by individual franchise dealers and a
4 separate record of total annual used motor vehicle sales by
5 individual motor vehicle dealers from the director of revenue.
6 These records will be available for public inspection;

7 (5) Being the custodian of the files and records of the
8 department;

9 (6) The performance of any other duty required in the
10 enforcement of sections 301.550 to [301.573] 301.580.

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

25 301.559. 1. It shall be unlawful for any person to engage
26 in business as or act as a motor vehicle dealer, boat dealer,
27 manufacturer, boat manufacturer, public motor vehicle auction,
28 wholesale motor vehicle auction or wholesale motor vehicle dealer

1 without first obtaining a license from the department as required
2 in sections 301.550 to [301.573] 301.580. Any person who
3 maintains or operates any business wherein a license is required
4 pursuant to the provisions of sections 301.550 to [301.573]
5 301.580, without such license, is guilty of a class A
6 misdemeanor. Any person committing a second violation of
7 sections 301.550 to [301.573] 301.580 shall be guilty of a class
8 E felony.

9 2. All dealer licenses shall expire on December
10 thirty-first of the designated license period. The department
11 shall notify each person licensed under sections 301.550 to
12 [301.573] 301.580 of the date of license expiration and the
13 amount of the fee required for renewal. The notice shall be
14 mailed at least ninety days before the date of license expiration
15 to the licensee's last known business address. The director
16 shall have the authority to issue licenses valid for a period of
17 up to two years and to stagger the license periods for
18 administrative efficiency and equalization of workload, at the
19 sole discretion of the director.

20 3. Every manufacturer, boat manufacturer, motor vehicle
21 dealer, wholesale motor vehicle dealer, wholesale motor vehicle
22 auction, boat dealer or public motor vehicle auction shall make
23 application to the department for issuance of a license. The
24 application shall be on forms prescribed by the department and
25 shall be issued under the terms and provisions of sections
26 301.550 to [301.573] 301.580 and require all applicants, as a
27 condition precedent to the issuance of a license, to provide such
28 information as the department may deem necessary to determine

1 that the applicant is bona fide and of good moral character,
2 except that every application for a license shall contain, in
3 addition to such information as the department may require, a
4 statement to the following facts:

5 (1) The name and business address, not a post office box,
6 of the applicant and the fictitious name, if any, under which
7 [he] the applicant intends to conduct [his] business[; and], the
8 applicant's regular business hours, and a phone number and email
9 address where the applicant may be contacted during regular
10 business hours. If the applicant [be] is a partnership, the
11 application shall list the name and residence address of each
12 partner, an indication of whether the partner is a limited or
13 general partner and the name under which the partnership business
14 is to be conducted. In the event that the applicant is a
15 corporation, the application shall list the names of the
16 principal officers of the corporation and the state in which it
17 is incorporated. Each application shall be verified by the oath
18 or affirmation of the applicant, if an individual, or in the
19 event an applicant is a partnership or corporation, then by a
20 partner or officer;

21 (2) Whether the application is being made for registration
22 as a manufacturer, boat manufacturer, new motor vehicle franchise
23 dealer, used motor vehicle dealer, wholesale motor vehicle
24 dealer, boat dealer, wholesale motor vehicle auction or a public
25 motor vehicle auction;

26 (3) When the application is for a new motor vehicle
27 franchise dealer, the application shall be accompanied by a copy
28 of the franchise agreement in the registered name of the

1 dealership setting out the appointment of the applicant as a
2 franchise holder and it shall be signed by the manufacturer, or
3 his authorized agent, or the distributor, or his authorized
4 agent, and shall include a description of the make of all motor
5 vehicles covered by the franchise. The department shall not
6 require a copy of the franchise agreement to be submitted with
7 each renewal application unless the applicant is now the holder
8 of a franchise from a different manufacturer or distributor from
9 that previously filed, or unless a new term of agreement has been
10 entered into;

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

14 4. No insurance company, finance company, credit union,
15 savings and loan association, bank or trust company shall be
16 required to obtain a license from the department in order to sell
17 any motor vehicle, trailer or vessel repossessed or purchased by
18 the company on the basis of total destruction or theft thereof
19 when the sale of the motor vehicle, trailer or vessel is in
20 conformance with applicable title and registration laws of this
21 state.

22 5. No person shall be issued a license to conduct a public
23 motor vehicle auction or wholesale motor vehicle auction if such
24 person has a violation of sections 301.550 to ~~[301.573]~~ 301.580
25 or other violations of chapter 301, sections 407.511 to 407.556,
26 or section 578.120 which resulted in a felony conviction or
27 finding of guilt or a violation of any federal motor vehicle laws
28 which resulted in a felony conviction or finding of guilt.

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

4 (1) Every application other than a renewal application for
5 a motor vehicle franchise dealer shall include a certification
6 that the applicant has a bona fide established place of business.
7 Such application shall include an annual certification that the
8 applicant has a bona fide established place of business for the
9 first three years and only for every other year thereafter. The
10 certification shall be performed by a uniformed member of the
11 Missouri state highway patrol or authorized or designated
12 employee stationed in the troop area in which the applicant's
13 place of business is located; except that in counties of the
14 first classification, certification may be performed by an
15 officer of a metropolitan police department when the applicant's
16 established place of business of distributing or selling motor
17 vehicles or trailers is in the metropolitan area where the
18 certifying metropolitan police officer is employed. When the
19 application is being made for licensure as a boat manufacturer or
20 boat dealer, certification shall be performed by a uniformed
21 member of the Missouri state water patrol stationed in the
22 district area in which the applicant's place of business is
23 located or by a uniformed member of the Missouri state highway
24 patrol stationed in the troop area in which the applicant's place
25 of business is located or, if the applicant's place of business
26 is located within the jurisdiction of a metropolitan police
27 department in a first class county, by an officer of such
28 metropolitan police department. A bona fide established place of

1 business for any new motor vehicle franchise dealer, used motor
2 vehicle dealer, boat dealer, powersport dealer, wholesale motor
3 vehicle dealer, trailer dealer, or wholesale or public auction
4 shall be a permanent enclosed building or structure, either owned
5 in fee or leased and actually occupied as a place of business by
6 the applicant for the selling, bartering, trading, servicing, or
7 exchanging of motor vehicles, boats, personal watercraft, or
8 trailers and wherein the public may contact the owner or operator
9 at any reasonable time, and wherein shall be kept and maintained
10 the books, records, files and other matters required and
11 necessary to conduct the business. The [applicant's place of
12 business] applicant shall [contain] maintain a working telephone
13 [which shall be maintained] number during the entire registration
14 year which will allow the public, the department, and law
15 enforcement to contact the applicant during regular business
16 hours. The applicant shall also maintain an email address during
17 the entire registration year which may be used for official
18 correspondence with the department. In order to qualify as a
19 bona fide established place of business for all applicants
20 licensed pursuant to this section there shall be an exterior sign
21 displayed carrying the name of the business set forth in letters
22 at least six inches in height and clearly visible to the public
23 and there shall be an area or lot which shall not be a public
24 street on which multiple vehicles, boats, personal watercraft, or
25 trailers may be displayed. The sign shall contain the name of
26 the dealership by which it is known to the public through
27 advertising or otherwise, which need not be identical to the name
28 appearing on the dealership's license so long as such name is

1 registered as a fictitious name with the secretary of state, has
2 been approved by its line-make manufacturer in writing in the
3 case of a new motor vehicle franchise dealer and a copy of such
4 fictitious name registration has been provided to the department.
5 Dealers who sell only emergency vehicles as defined in section
6 301.550 are exempt from maintaining a bona fide place of
7 business, including the related law enforcement certification
8 requirements, and from meeting the minimum yearly sales;

9 (2) The initial application for licensure shall include a
10 photograph, not to exceed eight inches by ten inches but no less
11 than five inches by seven inches, showing the business building,
12 lot, and sign. A new motor vehicle franchise dealer applicant
13 who has purchased a currently licensed new motor vehicle
14 franchised dealership shall be allowed to submit a photograph of
15 the existing dealership building, lot and sign but shall be
16 required to submit a new photograph upon the installation of the
17 new dealership sign as required by sections 301.550 to [301.573]
18 301.580. Applicants shall not be required to submit a photograph
19 annually unless the business has moved from its previously
20 licensed location, or unless the name of the business or address
21 has changed, or unless the class of business has changed;

22 (3) Every applicant as a new motor vehicle franchise
23 dealer, a used motor vehicle dealer, a powersport dealer, a
24 wholesale motor vehicle dealer, trailer dealer, or boat dealer
25 shall furnish with the application a corporate surety bond or an
26 irrevocable letter of credit as defined in section 400.5-102,
27 issued by any state or federal financial institution in the penal
28 sum of [twenty-five] fifty thousand dollars on a form approved by

1 the department. The bond or irrevocable letter of credit shall
2 be conditioned upon the dealer complying with the provisions of
3 the statutes applicable to new motor vehicle franchise dealers,
4 used motor vehicle dealers, powersport dealers, wholesale motor
5 vehicle dealers, trailer dealers, and boat dealers, and the bond
6 shall be an indemnity for any loss sustained by reason of the
7 acts of the person bonded when such acts constitute grounds for
8 the suspension or revocation of the dealer's license. The bond
9 shall be executed in the name of the state of Missouri for the
10 benefit of all aggrieved parties or the irrevocable letter of
11 credit shall name the state of Missouri as the beneficiary;
12 except, that the aggregate liability of the surety or financial
13 institution to the aggrieved parties shall, in no event, exceed
14 the amount of the bond or irrevocable letter of credit. The
15 proceeds of the bond or irrevocable letter of credit shall be
16 paid upon receipt by the department of a final judgment from a
17 Missouri court of competent jurisdiction against the principal
18 and in favor of an aggrieved party. Additionally, every
19 applicant as a new motor vehicle franchise dealer, a used motor
20 vehicle dealer, a powersport dealer, a wholesale motor vehicle
21 dealer, or boat dealer shall furnish with the application a copy
22 of a current dealer garage policy bearing the policy number and
23 name of the insurer and the insured;

24 (4) Payment of all necessary license fees as established by
25 the department. In establishing the amount of the annual license
26 fees, the department shall, as near as possible, produce
27 sufficient total income to offset operational expenses of the
28 department relating to the administration of sections 301.550 to

1 301.580. All fees payable pursuant to the provisions of sections
2 301.550 to 301.580, other than those fees collected for the
3 issuance of dealer plates or certificates of number collected
4 pursuant to subsection 6 of this section, shall be collected by
5 the department for deposit in the state treasury to the credit of
6 the "Motor Vehicle Commission Fund", which is hereby created.
7 The motor vehicle commission fund shall be administered by the
8 Missouri department of revenue. The provisions of section 33.080
9 to the contrary notwithstanding, money in such fund shall not be
10 transferred and placed to the credit of the general revenue fund
11 until the amount in the motor vehicle commission fund at the end
12 of the biennium exceeds two times the amount of the appropriation
13 from such fund for the preceding fiscal year or, if the
14 department requires permit renewal less frequently than yearly,
15 then three times the appropriation from such fund for the
16 preceding fiscal year. The amount, if any, in the fund which
17 shall lapse is that amount in the fund which exceeds the multiple
18 of the appropriation from such fund for the preceding fiscal
19 year.

20 2. In the event a new vehicle manufacturer, boat
21 manufacturer, motor vehicle dealer, wholesale motor vehicle
22 dealer, boat dealer, powersport dealer, wholesale motor vehicle
23 auction, trailer dealer, or a public motor vehicle auction
24 submits an application for a license for a new business and the
25 applicant has complied with all the provisions of this section,
26 the department shall make a decision to grant or deny the license
27 to the applicant within eight working hours after receipt of the
28 dealer's application, notwithstanding any rule of the department.

1 3. Except as otherwise provided in subsection 6 of this
2 section, upon the initial issuance of a license by the
3 department, the department shall assign a distinctive dealer
4 license number or certificate of number to the applicant and the
5 department shall issue one number plate or certificate bearing
6 the distinctive dealer license number or certificate of number
7 and two additional number plates or certificates of number within
8 eight working hours after presentment of the application and
9 payment by the applicant of a fee of fifty dollars for the first
10 plate or certificate and ten dollars and fifty cents for each
11 additional plate or certificate. Upon renewal, the department
12 shall issue the distinctive dealer license number or certificate
13 of number as quickly as possible. The issuance of such
14 distinctive dealer license number or certificate of number shall
15 be in lieu of registering each motor vehicle, trailer, vessel or
16 vessel trailer dealt with by a boat dealer, boat manufacturer,
17 manufacturer, public motor vehicle auction, wholesale motor
18 vehicle dealer, wholesale motor vehicle auction or new or used
19 motor vehicle dealer. The license plates described in this
20 section shall be made with fully reflective material with a
21 common color scheme and design, shall be clearly visible at
22 night, and shall be aesthetically attractive, as prescribed by
23 section 301.130.

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

27
28 New motor vehicle franchise dealers D-0 through D-999

1	New powersport dealers [and motorcycle	
2	franchise dealers]	D-1000 through D-1999
3	Used motor vehicle[,] <u>and</u> used powersport	
4	[, and used motorcycle] dealers	D-2000 through D-9999
5	Wholesale motor vehicle dealers	W-0 through W-1999
6	Wholesale motor vehicle auctions	WA-0 through WA-999
7	New and used trailer dealers	T-0 through T-9999
8	Motor vehicle, trailer, and boat	
9	manufacturers	DM-0 through DM-999
10	Public motor vehicle auctions	A-0 through A-1999
11	Boat dealers	M-0 through M-9999
12	New and used recreational motor	
13	vehicle dealers	RV-0 through RV-999

14

15 For purposes of this subsection, qualified transactions shall

16 include the purchase of salvage titled vehicles by a licensed

17 salvage dealer. A used motor vehicle dealer who also holds a

18 salvage dealer's license shall be allowed one additional plate or

19 certificate number per fifty-unit qualified transactions

20 annually. In order for salvage dealers to obtain number plates

21 or certificates under this section, dealers shall submit to the

22 department of revenue on August first of each year a statement

23 certifying, under penalty of perjury, the dealer's number of

24 purchases during the reporting period of July first of the

25 immediately preceding year to June thirtieth of the present year.

26 The provisions of this subsection shall become effective on the

27 date the director of the department of revenue begins to reissue

28 new license plates under section 301.130, or on December 1, 2008,

1 whichever occurs first. If the director of revenue begins
2 reissuing new license plates under the authority granted under
3 section 301.130 prior to December 1, 2008, the director of the
4 department of revenue shall notify the revisor of statutes of
5 such fact.

6 5. Upon the sale of a currently licensed [new] motor
7 vehicle [franchise] dealership the department shall, upon
8 request, authorize the new approved dealer applicant to retain
9 the selling dealer's license number and shall cause the new
10 dealer's records to indicate such transfer. If the new approved
11 dealer applicant elects not to retain the selling dealer's
12 license number, the department shall issue the new dealer
13 applicant a new dealer's license number and an equal number of
14 plates or certificates as the department had issued to the
15 selling dealer.

16 6. In the case of motor vehicle dealers, the department
17 shall issue one number plate bearing the distinctive dealer
18 license number and may issue one additional number plate to the
19 applicant upon payment by the dealer of a fifty dollar fee for
20 the number plate bearing the distinctive dealer license number
21 and ten dollars and fifty cents for the additional number plate.
22 The department may issue a third plate to the motor vehicle
23 dealer upon completion of the dealer's fifteenth qualified
24 transaction and payment of a fee of ten dollars and fifty cents.

25 In the case of new motor vehicle manufacturers, [motor vehicle
26 dealers,] powersport dealers, recreational motor vehicle dealers,
27 and trailer dealers, the department shall issue one number plate
28 bearing the distinctive dealer license number and may issue two

1 additional number plates to the applicant upon payment by the
2 manufacturer or dealer of a fifty dollar fee for the number plate
3 bearing the distinctive dealer license number and ten dollars and
4 fifty cents for each additional number plate. [Such license
5 plates shall be made with fully reflective material with a common
6 color scheme and design, shall be clearly visible at night, and
7 shall be aesthetically attractive, as prescribed by section
8 301.130.] Boat dealers and boat manufacturers shall be entitled
9 to one certificate of number bearing such number upon the payment
10 of a fifty dollar fee. Additional number plates and as many
11 additional certificates of number may be obtained upon payment of
12 a fee of ten dollars and fifty cents for each additional plate or
13 certificate. New motor vehicle manufacturers shall not be issued
14 or possess more than three hundred forty-seven additional number
15 plates or certificates of number annually. New and used motor
16 vehicle dealers, powersport dealers, wholesale motor vehicle
17 dealers, boat dealers, and trailer dealers are limited to one
18 additional plate or certificate of number per ten-unit qualified
19 transactions annually. New and used recreational motor vehicle
20 dealers are limited to two additional plates or certificate of
21 number per ten-unit qualified transactions annually for their
22 first fifty transactions and one additional plate or certificate
23 of number per ten-unit qualified transactions thereafter. An
24 applicant seeking the issuance of an initial license shall
25 indicate on his or her initial application the applicant's
26 proposed annual number of sales in order for the director to
27 issue the appropriate number of additional plates or certificates
28 of number. A motor vehicle dealer, trailer dealer, boat dealer,

1 powersport dealer, recreational motor vehicle dealer, motor
2 vehicle manufacturer, boat manufacturer, or wholesale motor
3 vehicle dealer obtaining a distinctive dealer license plate or
4 certificate of number or additional license plate or additional
5 certificate of number, throughout the calendar year, shall be
6 required to pay a fee for such license plates or certificates of
7 number computed on the basis of one-twelfth of the full fee
8 prescribed for the original and duplicate number plates or
9 certificates of number for such dealers' licenses, multiplied by
10 the number of months remaining in the licensing period for which
11 the dealer or manufacturers shall be required to be licensed. In
12 the event of a renewing dealer, the fee due at the time of
13 renewal shall not be prorated. Wholesale and public auctions
14 shall be issued a certificate of dealer registration in lieu of a
15 dealer number plate. In order for dealers to obtain number
16 plates or certificates under this section, dealers shall submit
17 to the department of revenue on August first of each year a
18 statement certifying, under penalty of perjury, the dealer's
19 number of sales during the reporting period of July first of the
20 immediately preceding year to June thirtieth of the present year.

21 7. The plates issued pursuant to subsection 3 or 6 of this
22 section may be displayed on any motor vehicle owned by a new
23 motor vehicle manufacturer. The plates issued pursuant to
24 subsection 3 or 6 of this section may be displayed on any motor
25 vehicle or trailer owned and held for resale by a motor vehicle
26 dealer for use by a customer who is test driving the motor
27 vehicle, for use and display purposes during, but not limited to,
28 parades, private events, charitable events, or for use by an

1 employee or officer, but shall not be displayed on any motor
2 vehicle or trailer hired or loaned to others or upon any
3 regularly used service or wrecker vehicle. Motor vehicle dealers
4 may display their dealer plates on a tractor, truck or trailer to
5 demonstrate a vehicle under a loaded condition. Trailer dealers
6 may display their dealer license plates in like manner, except
7 such plates may only be displayed on trailers owned and held for
8 resale by the trailer dealer.

9 8. The certificates of number issued pursuant to subsection
10 3 or 6 of this section may be displayed on any vessel or vessel
11 trailer owned and held for resale by a boat manufacturer or a
12 boat dealer, and used by a customer who is test driving the
13 vessel or vessel trailer, or is used by an employee or officer on
14 a vessel or vessel trailer only, but shall not be displayed on
15 any motor vehicle owned by a boat manufacturer, boat dealer, or
16 trailer dealer, or vessel or vessel trailer hired or loaned to
17 others or upon any regularly used service vessel or vessel
18 trailer. Boat dealers and boat manufacturers may display their
19 certificate of number on a vessel or vessel trailer when
20 transporting a vessel or vessels to an exhibit or show.

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

27 10. (1) Every application for the issuance of a used motor
28 vehicle dealer's license shall be accompanied by proof that the

1 applicant, within the last twelve months, has completed an
2 educational seminar course approved by the department as
3 prescribed by subdivision (2) of this subsection. Wholesale and
4 public auto auctions and applicants currently holding a new or
5 used license for a separate dealership shall be exempt from the
6 requirements of this subsection. The provisions of this
7 subsection shall not apply to current new motor vehicle franchise
8 dealers or motor vehicle leasing agencies or applicants for a new
9 motor vehicle franchise or a motor vehicle leasing agency. The
10 provisions of this subsection shall not apply to used motor
11 vehicle dealers who were licensed prior to August 28, 2006.

12 (2) The educational seminar shall include, but is not
13 limited to, the dealer requirements of sections 301.550 to
14 ~~[301.573]~~ 301.580, the rules promulgated to implement, enforce,
15 and administer sections 301.550 to ~~[301.570]~~ 301.580, and any
16 other rules and regulations promulgated by the department.

17 301.562. 1. The department may refuse to issue or renew
18 any license required pursuant to sections 301.550 to 301.580 for
19 any one or any combination of causes stated in subsection 2 of
20 this section. The department shall notify the applicant or
21 licensee in writing at his or her last known address of the
22 reasons for the refusal to issue or renew the license and shall
23 advise the applicant or licensee of his or her right to file a
24 complaint with the administrative hearing commission as provided
25 by chapter 621.

26 2. The department may cause a complaint to be filed with
27 the administrative hearing commission as provided by chapter 621
28 against any holder of any license issued under sections 301.550

1 to 301.580 for any one or any combination of the following
2 causes:

3 (1) The applicant or license holder was previously the
4 holder of a license issued under sections 301.550 to 301.580,
5 which license was revoked for cause and never reissued by the
6 department, or which license was suspended for cause and the
7 terms of suspension have not been fulfilled;

8 (2) The applicant or license holder was previously a
9 partner, stockholder, director or officer controlling or managing
10 a partnership or corporation whose license issued under sections
11 301.550 to 301.580 was revoked for cause and never reissued or
12 was suspended for cause and the terms of suspension have not been
13 fulfilled;

14 (3) The applicant or license holder has, within ten years
15 prior to the date of the application, been finally adjudicated
16 and found guilty, or entered a plea of guilty or nolo contendere,
17 in a prosecution under the laws of any state or of the United
18 States, for any offense reasonably related to the qualifications,
19 functions, or duties of any business licensed under sections
20 301.550 to 301.580; for any offense, an essential element of
21 which is fraud, dishonesty, or an act of violence; or for any
22 offense involving moral turpitude, whether or not sentence is
23 imposed;

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

27 (5) Obtaining or attempting to obtain any money,
28 commission, fee, barter, exchange, or other compensation by

1 fraud, deception, or misrepresentation;

2 (6) Violation of, or assisting or enabling any person to
3 violate any provisions of this chapter and chapters 143, 144,
4 306, 307, 407, 578, and 643 or of any lawful rule or regulation
5 adopted pursuant to this chapter and chapters 143, 144, 306, 307,
6 407, 578, and 643;

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

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

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

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

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

23 (12) Violations of sections 407.511 to 407.556, section
24 578.120, which resulted in a conviction or finding of guilt or
25 violation of any federal motor vehicle laws which result in a
26 conviction or finding of guilt.

27 3. Any such complaint shall be filed within one year of the
28 date upon which the department receives notice of an alleged

1 violation of an applicable statute or regulation. After the
2 filing of such complaint, the proceedings shall, except for the
3 matters set forth in subsection 5 of this section, be conducted
4 in accordance with the provisions of chapter 621. Upon a finding
5 by the administrative hearing commission that the grounds,
6 provided in subsection 2 of this section, for disciplinary action
7 are met, the department may, singly or in combination, refuse to
8 issue the person a license, issue a license for a period of less
9 than two years, issue a private reprimand, place the person on
10 probation on such terms and conditions as the department deems
11 appropriate for a period of one day to five years, suspend the
12 person's license from one day to six days, or revoke the person's
13 license for such period as the department deems appropriate. The
14 applicant or licensee shall have the right to appeal the decision
15 of the administrative hearing commission and department in the
16 manner provided in chapter 536.

17 4. Upon the suspension or revocation of any person's
18 license issued under sections 301.550 to 301.580, the department
19 shall recall any distinctive number plates that were issued to
20 that licensee. If any licensee who has been suspended or revoked
21 shall neglect or refuse to surrender his or her license or
22 distinctive number license plates issued under sections 301.550
23 to 301.580, the director shall direct any agent or employee of
24 the department or any law enforcement officer, to secure
25 possession thereof and return such items to the director. For
26 purposes of this subsection, a "law enforcement officer" means
27 any member of the highway patrol, any sheriff or deputy sheriff,
28 or any peace officer certified under chapter 590 acting in his or

1 her official capacity. Failure of the licensee to surrender his
2 or her license or distinctive number license plates upon demand
3 by the director, any agent or employee of the department, or any
4 law enforcement officer shall be a class A misdemeanor.

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

12 (1) The expiration or revocation of any corporate surety
13 bond or irrevocable letter of credit, as required by section
14 301.560, without submission of a replacement bond or letter of
15 credit which provides coverage for the entire period of
16 licensure;

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

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

21 (4) Three or more occurrences of violations which have been
22 established following proceedings before the administrative
23 hearing commission under subsection 3 of this section, or which
24 have been established following proceedings before the director
25 under subsection 6 of this section, of this chapter and chapters
26 143, 144, 306, 307, 578, and 643 or of any lawful rule or
27 regulation adopted under this chapter and chapters 143, 144, 306,
28 307, 578, and 643, not previously set forth herein.

1 6. (1) Any license issued under sections 301.550 to
2 301.580 [shall] may be suspended or revoked, following an
3 evidentiary hearing before the director or his or her designated
4 hearing officer, if affidavits or sworn testimony by an
5 authorized agent of the department alleges the occurrence of any
6 of the events or acts described in subsection 5 of this section.

7 (2) For any license which the department believes may be
8 subject to suspension or revocation under this subsection, the
9 director shall immediately issue a notice of hearing to the
10 licensee of record. The director's notice of hearing:

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

14 (b) Shall be based on affidavits or sworn testimony
15 presented to the director, and shall notify the licensee that
16 such information presented therein constitutes cause to suspend
17 or revoke the licensee's license;

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

20 (d) Shall specify the events or acts which may provide
21 cause for suspension or revocation of the license, and shall
22 include with the notice a copy of all affidavits, sworn testimony
23 or other information presented to the director which support
24 discipline of the license; and

25 (e) Shall inform the licensee that he or she has the right
26 to attend the hearing and present any evidence in his or her
27 defense, including evidence to show that the event or act which
28 may result in suspension or revocation has been corrected to the

1 director's satisfaction, and that he or she may be represented by
2 counsel at the hearing.

3 (3) At any hearing before the director conducted under this
4 subsection, the director or his or her designated hearing officer
5 shall consider all evidence relevant to the issue of whether the
6 license should be suspended or revoked due to the occurrence of
7 any of the acts set forth in subsection 5 herein. Within twenty
8 business days after such hearing, the director or his or her
9 designated hearing officer shall issue a written order, with
10 findings of fact and conclusions of law, which either grants or
11 denies the issuance of an order of suspension or revocation. The
12 suspension or revocation shall be effective ten days after the
13 date of the order. The written order of the director or his or
14 her hearing officer shall be the final decision of the director
15 and shall be subject to judicial review under the provisions of
16 chapter 536.

17 (4) Notwithstanding the provisions of this chapter or
18 chapter 610 or 621 to the contrary, the proceedings under this
19 section shall be closed and no order shall be made public until
20 it is final, for purposes of appeal.

21 7. In lieu of acting under subsection 2 or 6 of this
22 section, the department of revenue may enter into an agreement
23 with the holder of the license to ensure future compliance with
24 sections 301.210, 301.213, 307.380, sections 301.217 to 301.229,
25 and sections 301.550 to 301.580. Such agreement may include an
26 assessment fee not to exceed five hundred dollars per violation
27 or five thousand dollars in the aggregate unless otherwise
28 permitted by law, probation terms and conditions, and other

1 requirements as may be deemed appropriate by the department of
2 revenue and the holder of the license. Any fees collected by the
3 department of revenue under this subsection shall be deposited
4 into the motor vehicle commission fund created in section
5 301.560.

6 301.563. 1. The department or its designated
7 representative may issue process, subpoena witnesses, administer
8 oaths, examine books and papers, and require the production
9 thereof, and cause the deposition of any witness to be taken and
10 the costs thereof paid as other costs under sections 301.550 to
11 ~~[301.573]~~ 301.580. Any party may process to compel the
12 attendance of witnesses and the production of books and papers,
13 and at his own cost to take and use depositions in like manner as
14 in civil cases in the circuit court. The subpoena shall extend
15 to all parts of the state, and may be served as in civil actions
16 in the circuit court, but the costs of the service shall be as in
17 other civil actions. Each witness shall receive the fees and
18 mileage prescribed by law in civil cases, but the same shall not
19 be allowed as costs to the party in whose behalf the witness was
20 summoned unless the person who conducts the hearing certifies
21 that the testimony of the witness was necessary. All costs under
22 this section shall be approved by the department and paid out of
23 the Missouri motor vehicle commission fund established in section
24 301.560, except that if the department determines that any
25 proceedings are brought, prosecuted or defended without
26 reasonable ground, it may assess the whole cost of the
27 proceedings upon the party who brought, prosecuted or defended
28 the proceedings.

1 2. If any person subpoenaed to appear at any hearing or
2 proceeding fails to obey the command of such subpoena without
3 reasonable cause or if any person attending a hearing or
4 proceeding shall, without reasonable cause, refuse to be sworn or
5 to be examined or to answer a question or to produce a book or
6 paper or to subscribe or swear to his deposition, such person is
7 guilty of a class B misdemeanor and on conviction thereof shall
8 be punished by a fine of not more than five hundred dollars, or
9 by imprisonment in the county jail for not more than one year, or
10 by both such fine and imprisonment, and in the case of a
11 continuing violation, each day's continuance thereof shall be a
12 separate and distinct offense.

13 301.564. 1. Any person or his agent licensed or registered
14 as a manufacturer, motor vehicle dealer, wholesale motor vehicle
15 dealer, boat dealer, wholesale motor vehicle auction or a public
16 motor vehicle auction pursuant to the provisions of sections
17 301.550 to [301.573,] 301.580 shall permit an employee of the
18 department of revenue or any law enforcement official to inspect,
19 during normal business hours, any of the following documents
20 which are in his possession or under his custody or control:

- 21 (1) Any title to any motor vehicle or vessel;
22 (2) Any application for title to any motor vehicle or
23 vessel;
24 (3) Any affidavit provided pursuant to sections 301.550 to
25 [301.573] 301.580 or chapter 407;
26 (4) Any assignment of title to any motor vehicle or vessel;
27 (5) Any disclosure statement or other document relating to
28 mileage or odometer readings required by the laws of the United

1 States or any other state;

2 (6) Any inventory and related documentation.

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

5 (1) Attorney general, or any person designated by him to
6 make such an inspection;

7 (2) Any prosecuting attorney or any person designated by a
8 prosecuting attorney to make such an inspection;

9 (3) Any member of the highway patrol or water patrol;

10 (4) Any sheriff or deputy sheriff;

11 (5) Any peace officer certified pursuant to chapter 590
12 acting in his official capacity.

13 301.566. 1. [A motor vehicle dealer may participate in no
14 more than two motor vehicle shows or sales annually and conduct
15 sales of motor vehicles away from the dealer's usual, licensed
16 place of business if either the requirements of subsection 2 or 3
17 of this section are met or the event is conducted for not more
18 than five consecutive days, the event does not require any motor
19 vehicle dealer participant to pay an unreasonably prohibitive
20 participation fee, and if a majority of the motor vehicle dealers
21 within a class of dealers described pursuant to subsection 3 of
22 section 301.550 in a city or town participate or are invited and
23 have the opportunity to participate in the event, except that a
24 recreational motor vehicle dealer classified in subdivision (5)
25 of subsection 3 of section 301.550 may participate in such a show
26 or sale even if a majority of recreational motor vehicle dealers
27 in a city or town do not participate in the event. If any show
28 or sale includes a class of dealer or franchised new vehicle

1 line-make, that is also represented by a same class dealer or
2 dealer representing the same line-make outside of the boundary
3 lines of the city or town and is within ten miles of where the
4 show or sale is to take place, the dealer outside of the boundary
5 lines of the city or town shall be invited to participate in the
6 show or sale. The department shall consider such events to be
7 proper in all respects and as if each dealer participant was
8 conducting business at the dealer's usual business location.
9 Nothing contained in this section shall be construed as applying
10 to the sale of motor vehicles or trailers through either a
11 wholesale motor vehicle auction or public motor vehicle auction.]
12 Except as provided in this section, it shall be unlawful for a
13 motor vehicle dealer to sell or offer to sell any motor vehicle
14 away from the dealer's registered place of business.

15 2. [Any person, partnership, corporation or association
16 disposing of vehicles used and titled solely in its ordinary
17 course of business as provided in section 301.570 may sell at
18 retail such vehicles away from that person's bona fide
19 established place of business, thus constituting an off-site
20 sale, by adhering to each of the following conditions with regard
21 to each and every off-site sale conducted:

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

25 (2) No off-site sale may exceed five days in duration, and
26 only one sale may be held per year, per county;

27 (3) Pay to the motor vehicle commission fund, pursuant to
28 section 301.560, a permit fee of five hundred fifty dollars for

1 each off-site sale event;

2 (4) Advise the department, at least ten days prior to the
3 sale, of the date, location and duration of each off-site sale;

4 (5)] The sale of vehicles at off-site sales shall be limited
5 to sales by a seller of vehicles used and titled solely in its
6 ordinary course of business, and such sales shall be held in
7 conjunction with a credit union and limited to members of the
8 credit union, thus constituting a private sale to be advertised
9 to members only[;].

10 [(6)] 3. Off-site sales by a seller of vehicles used and
11 titled solely in its ordinary course of business may also be held
12 in conjunction with other financial institutions provided that
13 any such sale event shall be held on the premises of the
14 financial institution, and sales shall be limited to persons who
15 were customers of the financial institution prior to the date of
16 the sale event. Off-site sales held with such other financial
17 institutions shall be limited to one sale per year per
18 institution[;]

19 (7) The sale of motor vehicles which have the designation
20 of the current model year, except discontinued models, is
21 prohibited at off-site sales until subsequent model year
22 designated vehicles of the same manufacture and model are offered
23 for sale to the public].

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

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

3 (2) The off-premise event shall not require any motor
4 vehicle dealer participant to pay an unreasonably prohibitive
5 participation fee;

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

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

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

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

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

1 the notice;

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

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

9 5. Provided the requirements of this section are met, the
10 department shall consider such events to be proper in all
11 respects and as if each dealer participant was conducting
12 business at the dealer's usual business location. Nothing
13 contained in this section shall be construed as applying to the
14 sale of motor vehicles or trailers through either a wholesale
15 motor vehicle auction or public motor vehicle auction. A
16 recreational motor vehicle dealer, as classified by subdivision
17 (5) of subsection 3 of section 301.550, may participate in an
18 off-premise event even if a majority of recreational motor
19 vehicle dealers in a city or town do not participate in the
20 event.

21 [3.] 6. A recreational vehicle dealer, as that term is
22 defined in section 700.010, who is licensed in another state may
23 participate in recreational vehicle shows or exhibits with
24 recreational vehicles within this state in which less than fifty
25 dealers participate as exhibitors with permission of the dealer's
26 licensed manufacturer if all of the following conditions exist:

27 (1) The show or exhibition has a minimum of ten
28 recreational vehicle dealers licensed as motor vehicle dealers in

1 this state;

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

5 (3) The state in which the recreational vehicle is licensed
6 is a state contiguous to Missouri and the state permits
7 recreational vehicle dealers licensed in Missouri to participate
8 in recreational vehicle shows in such state pursuant to
9 conditions substantially equivalent to the conditions which are
10 imposed on dealers from such state who participate in
11 recreational vehicle shows in Missouri.

12 [4.] 7. A recreational vehicle dealer licensed in another
13 state may participate in a vehicle show or exhibition in Missouri
14 which has, when it opens to the public, at least fifty dealers
15 displaying recreational vehicles if the show or exhibition is
16 trade-oriented and is predominantly funded by recreational
17 vehicle manufacturers. All of the participating dealers who are
18 not licensed in Missouri shall be licensed as recreational
19 vehicle dealers by the state of their residence.

20 [5.] 8. A recreational vehicle dealer licensed in another
21 state who intends to participate in a vehicle show or exhibition
22 in this state shall send written notification of such intended
23 participation to the department of revenue at least thirty days
24 prior to the vehicle show or exhibition. Upon receipt of such
25 written notification, the department of revenue shall make a
26 determination regarding compliance with the provisions of this
27 section. If such recreational vehicle dealer would be unable to
28 participate in the vehicle show or exhibition in this state

1 pursuant to this section, the department of revenue shall notify
2 the recreational vehicle dealer at least fifteen days prior to
3 the vehicle show or exhibition of the inability to participate in
4 the vehicle show or exhibition in this state.

5 [6.] 9. The department [of revenue] may assess a fine of up
6 to one thousand dollars for the off-premise sale or display of
7 any motor vehicle in violation of this section.

8 301.568. New motor vehicles may be exchanged for resale
9 from one new motor vehicle franchise dealer to another who is
10 franchised to sell the same make of new motor vehicles by
11 assignment of the manufacturer's statement of origin. Such
12 exchange shall not be deemed to be a sale and shall not require
13 the motor vehicle dealer to register and make application for a
14 certificate of ownership as set out in this chapter. However,
15 when an exchange by assignment of the manufacturer's statement of
16 origin is between a new motor vehicle franchise dealer and
17 another motor vehicle dealer who has a franchise for a different
18 make of motor vehicle or a motor vehicle dealer who is not a new
19 motor vehicle franchise dealer, the transaction shall be deemed a
20 sale and shall void the resale of that motor vehicle as a new
21 motor vehicle, and it shall be unlawful for any motor vehicle
22 dealer to hold forth, offer for sale, advertise or sell such
23 motor vehicle as a new motor vehicle. A motor vehicle dealer
24 shall not assign ownership on any vehicle in a retail sale by the
25 assignment of a manufacturer's statement of origin unless he is
26 [enfranchised] franchised by the manufacturer to sell that
27 particular make of vehicle; however, this provision shall not
28 take effect if the motor vehicle dealer and the manufacturer are

1 in the process of negotiating a new franchise agreement, or the
2 motor vehicle dealer has filed a timely protest to the
3 manufacturer or appealed under section 407.825 of the motor
4 vehicle franchise practices act. The provisions of this section
5 shall not apply to mobile homes or trailers.

6 301.570. 1. It shall be unlawful for any person,
7 partnership, corporation, company or association, unless the
8 seller is a financial institution, or is selling repossessed
9 motor vehicles or is disposing of vehicles used and titled solely
10 in its ordinary course of business or is a collector of antique
11 motor vehicles, to sell or display with an intent to sell six or
12 more motor vehicles in a calendar year, except when such motor
13 vehicles are registered in the name of the seller, unless such
14 person, partnership, corporation, company or association is:

15 (1) Licensed as a motor vehicle dealer by the department
16 under the provisions of sections 301.550 to ~~[301.573]~~ 301.580;

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

19 (3) Selling commercial motor vehicles with a gross weight
20 of at least nineteen thousand five hundred pounds, but only with
21 respect to such commercial motor vehicles;

22 (4) An auctioneer, acting at the request of the owner at an
23 auction, when such auction is not a public motor vehicle auction.

24 2. Any person, partnership, corporation, company or
25 association that has reason to believe that the provisions of
26 this section are being violated shall file a complaint with the
27 prosecuting attorney in the county in which the violation
28 occurred. The prosecuting attorney shall investigate the

1 complaint and take appropriate action.

2 3. For the purposes of sections 301.550 to [301.573]
3 301.580, the sale, barter, exchange, lease or rental with option
4 to purchase of six or more motor vehicles in a calendar year by
5 any person, partnership, corporation, company or association,
6 whether or not the motor vehicles are owned by them, shall be
7 prima facie evidence of intent to make a profit or gain of money
8 and such person, partnership, corporation, company or association
9 shall be deemed to be acting as a motor vehicle dealer without a
10 license.

11 4. Any person, partnership, corporation, company or
12 association who violates subsection 1 of this section is guilty
13 of a class A misdemeanor. A second or subsequent conviction
14 shall be deemed a class E felony.

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

17 307.350. 1. The owner of every motor vehicle as defined in
18 section 301.010 which is required to be registered in this state,
19 except:

20 (1) Motor vehicles, for the five-year period following
21 their model year of manufacture, excluding prior salvage vehicles
22 immediately following a rebuilding process and vehicles subject
23 to the provisions of section 307.380;

24 (2) Those motor vehicles which are engaged in interstate
25 commerce and are proportionately registered in this state with
26 the Missouri highway reciprocity commission, although the owner
27 may request that such vehicle be inspected by an official
28 inspection station, and a peace officer may stop and inspect such

1 vehicles to determine whether the mechanical condition is in
2 compliance with the safety regulations established by the United
3 States Department of Transportation; and

4 (3) Historic motor vehicles registered pursuant to section
5 301.131;

6 (4) Vehicles registered in excess of twenty-four thousand
7 pounds for a period of less than twelve months;

8
9 shall submit such vehicles to a biennial inspection of their
10 mechanism and equipment in accordance with the provisions of
11 sections 307.350 to 307.390 and obtain a certificate of
12 inspection and approval and a sticker, seal, or other device from
13 a duly authorized official inspection station. The inspection,
14 except the inspection of school buses which shall be made at the
15 time provided in section 307.375, shall be made at the time
16 prescribed in the rules and regulations issued by the
17 superintendent of the Missouri state highway patrol; but the
18 inspection of a vehicle shall not be made more than sixty days
19 prior to the date of application for registration or within sixty
20 days of when a vehicle's registration is transferred; however, if
21 a vehicle was purchased from a motor vehicle dealer and a valid
22 inspection had been made within sixty days of the purchase date,
23 the new owner shall be able to utilize an inspection performed
24 within ninety days prior to the application for registration or
25 transfer. Any vehicle manufactured as an even-numbered model
26 year vehicle shall be inspected and approved pursuant to the
27 safety inspection program established pursuant to sections
28 307.350 to 307.390 in each even-numbered calendar year and any

1 such vehicle manufactured as an odd-numbered model year vehicle
2 shall be inspected and approved pursuant to sections 307.350 to
3 307.390 in each odd-numbered year. The certificate of inspection
4 and approval shall be a sticker, seal, or other device or
5 combination thereof, as the superintendent of the Missouri state
6 highway patrol prescribes by regulation and shall be displayed
7 upon the motor vehicle or trailer as prescribed by the
8 regulations established by him. The replacement of certificates
9 of inspection and approval which are lost or destroyed shall be
10 made by the superintendent of the Missouri state highway patrol
11 under regulations prescribed by him.

12 2. For the purpose of obtaining an inspection only, it
13 shall be lawful to operate a vehicle over the most direct route
14 between the owner's usual place of residence and an inspection
15 station of such owner's choice, notwithstanding the fact that the
16 vehicle does not have a current state registration license. It
17 shall also be lawful to operate such a vehicle from an inspection
18 station to another place where repairs may be made and to return
19 the vehicle to the inspection station notwithstanding the absence
20 of a current state registration license.

21 3. No person whose motor vehicle was duly inspected and
22 approved as provided in this section shall be required to have
23 the same motor vehicle again inspected and approved for the sole
24 reason that such person wishes to obtain a set of any special
25 personalized license plates available pursuant to section 301.144
26 or a set of any license plates available pursuant to section
27 301.142, prior to the expiration date of such motor vehicle's
28 current registration.

