

MOTOR VEHICLE BUSINESS LICENSING

AMENDMENTS

2005 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Paul Ray

Senate Sponsor: Mark B. Madsen

LONG TITLE

General Description:

This bill modifies the Motor Vehicle Business Regulation Act by amending provisions related to the denial, suspension, or revocation of certain licenses.

Highlighted Provisions:

This bill:

▶ provides that reasonable cause to suspend certain licenses issued under the Motor Vehicle Business Regulation Act includes:

- a violation of any state or federal law involving fraud; and
- a violation of any state or federal law involving a registerable sex offense; and
- ▶ makes technical changes.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

41-3-209, as last amended by Chapter 165, Laws of Utah 1998

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **41-3-209** is amended to read:

41-3-209. Administrator's findings -- Suspension and revocation of license.

(1) If the administrator finds that an applicant is not qualified to receive a license, a license may not be granted.

(2) (a) If the administrator finds that there is reasonable cause to deny, suspend, or revoke a license issued under this chapter, the administrator shall deny, suspend, or revoke the license.

(b) Reasonable cause for denial, suspension, or revocation of a license includes, in relation to the applicant or license holder or any of its partners, officers, or directors:

(i) lack of a principal place of business;

(ii) lack of a sales tax license required under Title 59, Chapter 12, Sales and Use Tax Act;

(iii) lack of a bond in effect as required by this chapter;

~~[(iv) a violation of any state or federal law regarding motor vehicles;]~~

~~[(v)]~~ (iv) current revocation or suspension of a dealer, dismantler, auction, or salesperson license issued in another state;

~~[(vi)]~~ (v) nonpayment of required fees;

~~[(vii)]~~ (vi) making a false statement on any application for a license under this chapter or for special license plates;

(vii) a violation of any state or federal law involving motor vehicles;

(viii) a violation of any state or federal law ~~[regarding]~~ involving controlled substances;

~~[or]~~
(ix) charges filed with any county attorney, district attorney, or U.S. attorney in any court of competent jurisdiction for a violation of any state or federal law involving ~~[the use of a]~~ motor ~~[vehicle-]~~ vehicles;

(x) a violation of any state or federal law involving fraud; or

(xi) a violation of any state or federal law involving a registerable sex offense under Section 77-27-21.5.

(c) Any action taken by the administrator under Subsection (2)(b)(ix) shall remain in effect until a final resolution is reached by the court involved or the charges are dropped.

(3) If the administrator finds that the license holder has been convicted by a court of competent jurisdiction of violating any of the provisions of this chapter or any rules made by the administrator, or finds other reasonable cause, the administrator may, by complying with the emergency procedures of Title 63, Chapter 46b, Administrative Procedures Act:

- (a) suspend the license on terms and for a period of time he finds reasonable; or
- (b) revoke the license.

(4) (a) After suspending or revoking a license, the administrator may take reasonable action to:

- (i) notify the public that the licensee is no longer in business; and
- (ii) prevent the former licensee from violating the law by conducting business without a license.

(b) Action under Subsection (4)(a) may include signs, banners, barriers, locks, bulletins, and notices.

(c) Any business being conducted incidental to the business for which the former licensee was licensed may continue to operate subject to the preventive action taken under this subsection.