

Representative Patrick Painter proposes the following substitute bill:

MOTOR VEHICLE DEALER AMENDMENTS

2007 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Patrick Painter

Senate Sponsor: Dan R. Eastman

LONG TITLE

General Description:

This bill modifies the Motor Vehicle Business Regulation Act by amending provisions relating to motor vehicle dealer license requirements.

Highlighted Provisions:

This bill:

- ▶ provides that each transaction a person arranges, offers to arrange, or brokers involving the sale or lease of a motor vehicle for a fee, commission, or other compensation is a separate violation if the person:
 - has sold two or more motor vehicles in the previous consecutive 12-month period; and
 - is not licensed as a dealer;
- ▶ provides that once a person has committed the offense of acting as a dealer without a license, each additional motor vehicle the person sells, displays for sale, offers for sale or exchange, or leases in the 12-month period is a separate violation; and
- ▶ makes technical changes.

Monies Appropriated in this Bill:

None

Other Special Clauses:



26 None

27 **Utah Code Sections Affected:**

28 AMENDS:

29 **41-3-201.5**, as enacted by Chapter 187, Laws of Utah 1997

30 **41-3-701**, as last amended by Chapters 165 and 221, Laws of Utah 1993



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

32 Section 1. Section **41-3-201.5** is amended to read:

33 **41-3-201.5. Brokering of a new motor vehicle without a license prohibited.**

34 (1) (a) A person may not, for a fee, commission, or other form of compensation,
35 arrange, offer to arrange, or broker a transaction involving the sale or lease of more than two
36 new motor vehicles in any 12 consecutive month period, unless the person is licensed under
37 Subsection 41-3-202(1).

38 (b) Each transaction a person arranges, offers to arrange, or brokers involving the sale
39 or lease of a motor vehicle for a fee, commission, or other form of compensation is a separate
40 violation under this section if:

41 (i) the person has for a fee, commission, or other form of compensation, arranged,
42 offered to arrange, or brokered the sale or lease of more than two new motor vehicles within
43 the previous 12 consecutive month period; and

44 (ii) the person is not licensed under Subsection 41-3-202(1).

45 (2) A person who violates this section is guilty of a class B misdemeanor.

46 Section 2. Section **41-3-701** is amended to read:

47 **41-3-701. Violations as misdemeanors.**

48 (1) Except as otherwise provided in this chapter, any person who violates this chapter
49 or any rule made by the administrator is guilty of a class B misdemeanor.

50 (2) (a) A person who violates Section 41-3-201 is guilty of a class A misdemeanor.

51 (b) Once a person has met the criteria for the offense of acting as a dealer without a
52 license, each additional motor vehicle the person sells, displays for sale, offers for sale or
53 exchange, or leases in that 12-month period without becoming licensed under Section 41-3-202
54 is a separate violation.

55 (3) A person who violates Section 41-3-301 is guilty of a class A misdemeanor unless
56

57 the selling dealer complies with the requirements of Section 41-3-403.

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Fiscal Note

2007 General Session

State of Utah

State Impact

Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.

1/24/2007, 10:52:25 AM, Lead Analyst: Tennert, J.

Office of the Legislative Fiscal Analyst