

MOTOR VEHICLE BUSINESS REGULATION

ACT AMENDMENTS

2009 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Francis D. Gibson

Senate Sponsor: Kevin T. Van Tassell

LONG TITLE

General Description:

This bill modifies the Motor Vehicle Business Regulation Act by amending provisions relating to certain motor vehicle business licenses.

Highlighted Provisions:

This bill:

- ▶ provides that a person that has been issued a motor vehicle salesperson's license and that is employed by a dealer that operates as a wholesale motor vehicle auction may be employed by more than one dealer that operates as a wholesale motor vehicle auction at a time; and
- ▶ makes technical changes.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

41-3-202, as last amended by Laws of Utah 2008, Chapter 382

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

Section 1. Section **41-3-202** is amended to read:

41-3-202. Licenses -- Classes and scope.

30 (1) A new motor vehicle dealer's license permits the licensee to:
31 (a) offer for sale, sell, or exchange new motor vehicles if the licensee possesses a
32 franchise from the manufacturer of the motor vehicle offered for sale, sold, or exchanged by
33 the licensee;

34 (b) offer for sale, sell, or exchange used motor vehicles;

35 (c) operate as a body shop; and

36 (d) dismantle motor vehicles.

37 (2) A used motor vehicle dealer's license permits the licensee to:

38 (a) offer for sale, sell, or exchange used motor vehicles;

39 (b) operate as a body shop; and

40 (c) dismantle motor vehicles.

41 (3) A new motorcycle, off-highway vehicle, and small trailer dealer's license permits
42 the licensee to:

43 (a) offer for sale, sell, or exchange new motorcycles, off-highway vehicles, or small
44 trailers if the licensee possesses a franchise from the manufacturer of the motorcycle,
45 off-highway vehicle, or small trailer offered for sale, sold, or exchanged by the licensee;

46 (b) offer for sale, sell, or exchange used motorcycles, off-highway vehicles, or small
47 trailers; and

48 (c) dismantle motorcycles, off-highway vehicles, or small trailers.

49 (4) A used motorcycle, off-highway vehicle, and small trailer dealer's license permits
50 the licensee to:

51 (a) offer for sale, sell, or exchange used motorcycles, off-highway vehicles, and small
52 trailers; and

53 (b) dismantle motorcycles, off-highway vehicles, or small trailers.

54 (5) ~~[A]~~ (a) Except as provided in Subsection (5)(b), a salesperson's license permits the
55 licensee to act as a motor vehicle salesperson and is valid for employment with only one dealer
56 at a time.

57 (b) A licensee that has been issued a salesperson's license and that is employed by a

58 dealer that operates as a wholesale motor vehicle auction may be employed by more than one
59 dealer that operates as a wholesale motor vehicle auction at a time.

60 (6) (a) A manufacturer's license permits the licensee to construct or assemble motor
61 vehicles subject to registration under Title 41, Chapter 1a, Motor Vehicle Act, at an
62 established place of business and to remanufacture motor vehicles.

63 (b) Under rules made by the administrator, the licensee may issue and install vehicle
64 identification numbers on manufactured motor vehicles.

65 (c) The licensee may franchise and appoint dealers to sell manufactured motor
66 vehicles by notifying the division of the franchise or appointment.

67 (7) A transporter's license permits the licensee to transport or deliver motor vehicles
68 subject to registration under Title 41, Chapter 1a, Motor Vehicle Act, from a manufacturing,
69 assembling, or distributing point or from a dealer, to dealers, distributors, or sales agents of a
70 manufacturer or remanufacturer, to or from detail or repair shops, and to financial institutions
71 or places of storage from points of repossession.

72 (8) A dismantler's license permits the licensee to dismantle motor vehicles subject to
73 registration under Title 41, Chapter 1a, Motor Vehicle Act, for the purpose of reselling parts
74 or for salvage, or selling dismantled or salvage vehicles to a crusher or other dismantler.

75 (9) A distributor or factory branch and distributor branch's license permits the licensee
76 to sell and distribute new motor vehicles, parts, and accessories to their franchised dealers.

77 (10) A representative's license, for factory representatives or distributor representatives
78 permits the licensee to contact the licensee's authorized dealers for the purpose of making or
79 promoting the sale of motor vehicles, parts, and accessories.

80 (11) (a) (i) A remanufacturer's license permits the licensee to construct, reconstruct,
81 assemble, or reassemble motor vehicles subject to registration under Title 41, Chapter 1a,
82 Motor Vehicle Act, from used or new motor vehicles or parts.

83 (ii) Evidence of ownership of parts and motor vehicles used in remanufacture shall be
84 available to the division upon demand.

85 (b) Under rules made by the administrator, the licensee may issue and install vehicle

86 identification numbers on remanufactured motor vehicles.

87 (12) A crusher's license permits the licensee to engage in the business of crushing or
88 shredding motor vehicles subject to registration under Title 41, Chapter 1a, Motor Vehicle
89 Act, for the purpose of reducing the useable materials and metals to a more compact size for
90 recycling.

91 (13) A body shop's license permits the licensee to rebuild, restore, repair, or paint
92 primarily the body of motor vehicles damaged by collision or natural disaster, and to
93 dismantle motor vehicles.

94 (14) A special equipment dealer's license permits the licensee to:

95 (a) buy incomplete new motor vehicles with a gross vehicle weight of 12,000 or more
96 pounds from a new motor vehicle dealer and sell the new vehicle with the special equipment
97 installed without a franchise from the manufacturer;

98 (b) offer for sale, sell, or exchange used motor vehicles;

99 (c) operate as a body shop; and

100 (d) dismantle motor vehicles.

101 (15) (a) A salvage vehicle buyer license permits the licensee to bid on or purchase a
102 vehicle with a salvage certificate as defined in Section 41-1a-1001 at any motor vehicle
103 auction.

104 (b) A salvage vehicle buyer license may only be issued to a motor vehicle dealer,
105 dismantler, or body shop who qualifies under rules made by the division and is licensed in any
106 state as a motor vehicle dealer, dismantler, or body shop.

107 (c) The division may not issue more than two salvage vehicle buyer licenses to any
108 one dealer, dismantler, or body shop.

109 (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
110 the administrator shall make rules establishing qualifications of an applicant for a salvage
111 vehicle buyer license. The criteria shall include:

112 (i) business history;

113 (ii) salvage vehicle qualifications;

- 114 (iii) ability to properly handle and dispose of environmental hazardous materials
- 115 associated with salvage vehicles; and
- 116 (iv) record in demonstrating compliance with the provisions of this chapter.