

MOTOR VEHICLE BUSINESS LICENSING AMENDMENTS

2017 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Kim Coleman

Senate Sponsor: Wayne A. Harper

LONG TITLE

Committee Note:

The Revenue and Taxation Interim Committee recommended this bill.

General Description:

This bill amends provisions related to licensure of motor vehicle dealers.

Highlighted Provisions:

This bill:

- ▶ directs the motor vehicle enforcement administrator within the State Tax

Commission to:

- issue a provisional license under certain circumstances; and
- issue a provisional license holder a standard license without an additional application or fee once the license holder complies with all of the standard license qualifications.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

ENACTS:

41-3-202.2, Utah Code Annotated 1953



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

29 Section 1. Section **41-3-202.2** is enacted to read:

30 **41-3-202.2. Provisional license.**

31 (1) As used in this section:

32 (a) "Provisional license" means a provisional version of a particular class of standard
33 license.

34 (b) "Standard license" means a license that the administrator is authorized to issue
35 under Section [41-3-202](#) for a class for which a principal place of business is required under
36 Section [41-3-204](#).

37 (2) The administrator may issue a provisional license for any class of standard license
38 the administrator issues under Section [41-3-202](#).

39 (3) A person may apply to the administrator for a provisional license using the same
40 procedure described in this chapter and under other applicable state law for a standard license
41 of the same class as the provisional license.

42 (4) Subject to Subsection (5), the administrator shall grant a provisional license to an
43 applicant who:

44 (a) demonstrates that the applicant meets all of the qualifications described in this
45 chapter and under other applicable state law for a standard license of the same class as the
46 provisional license, except for the requirement that the applicant maintain a principal place of
47 business as required by Section [41-3-204](#);

48 (b) complies with procedures established by the administrator; and

49 (c) pays a fee established by the administrator.

50 (5) In addition to demonstrating the qualifications described in Subsection (4), an
51 applicant for a provisional license shall:

52 (a) submit to the administrator a site acquisition plan that describes the applicant's
53 anticipated principal place of business; and

54 (b) demonstrate that the applicant's site acquisition plan describes a principal place of
55 business that would comply with the requirements described in this chapter and under other
56 applicable state law for the principal place of business of a licensee with a standard license of
57 the same class as the provisional license.

58 (6) A provisional license does not allow a person to act as a licensee with a standard

59 license.

60 (7) Subject to Subsections (8) and (9), once a person with a provisional license
61 demonstrates to the administrator that the person meets all of the qualifications under this
62 chapter and under other applicable state law for a standard license of the same class as the
63 provisional license, the administrator shall grant the person a standard license of the same class
64 as the provisional license without requiring that the person:

65 (a) submit an additional application; or

66 (b) pay an additional fee.

67 (8) (a) A provisional license is valid for three months.

68 (b) The commission may extend the term of a provisional license for an additional
69 three months at the commission's discretion.

70 (9) The commission may create application procedures for a provisional license in
71 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

72 (10) The commission may require and determine the amount of an application fee for a
73 provisional license in compliance with Section [63J-1-504](#).

74 **Section 2. Effective date.**

75 This bill takes effect on October 1, 2017.

Legislative Review Note
Office of Legislative Research and General Counsel