## 02-27-18 5:32 PM

1st Sub. (Buff) H.B. 369

57	either owned or consigned, to the general public.
58	(4) "Authorized service center" means an entity that:
59	(a) is in the business of repairing exclusively the motor vehicles of the same line-make
60	as the motor vehicles a single direct-sale manufacturer manufactures;
61	(b) the direct-sale manufacturer described in Subsection (4)(a) authorizes to complete
62	warranty repair work for motor vehicles that the direct-sale manufacturer sells, displays for
63	sale, or offers for sale or exchange; and
64	(c) conducts business primarily from an enclosed commercial repair facility that is
65	permanently located in the state.
66	[(4)] (5) "Board" means the advisory board created in Section 41-3-106.
67	[(5)] (6) "Body shop" means a business engaged in rebuilding, restoring, repairing, or
68	painting primarily the body of motor vehicles damaged by collision or natural disaster.
69	[(6)] (7) "Commission" means the State Tax Commission.
70	[(7)] (8) "Crusher" means a person who crushes or shreds motor vehicles subject to
71	registration under Title 41, Chapter 1a, Motor Vehicle Act, to reduce the useable materials and
72	metals to a more compact size for recycling.
73	[(8)] (9) (a) "Dealer" means a person:
74	(i) whose business in whole or in part involves selling new, used, or new and used
75	motor vehicles or off-highway vehicles; and
76	(ii) who sells, displays for sale, or offers for sale or exchange three or more new or
77	used motor vehicles or off-highway vehicles in any 12-month period.
78	(b) "Dealer" includes a representative or consignee of any dealer.
79	(10) "Direct-sale manufacturer" means a person $\hat{S} \rightarrow [\underline{that}] \leftarrow \hat{S}$ :
80	(a) $\hat{S} \rightarrow \underline{\text{that}} \leftarrow \hat{S}$ is both a manufacturer and a dealer;
81	(b) $\hat{S} \rightarrow \underline{\text{that}}, \leftarrow \hat{S}$ in this state, sells, displays for sale, or offers for sale or exchange only
81a	$\hat{\mathbf{S}} \rightarrow \underline{\mathbf{new}} \leftarrow \hat{\mathbf{S}} \underline{\mathbf{motor}}$
82	vehicles of the person's own line-make that are:
83	(i) exclusively propelled through the use of electricity, a hydrogen fuel cell, or another
84	non-fossil fuel source;
85	(ii) (A) passenger vehicles with a gross vehicle weight rating of 14,000 pounds or less;
86	<u>or</u>
87	(B) trucks with a gross vehicle weight rating of 14,000 pounds or less; and

1st Sub. (Buff) H.B. 369

88 (iii) manufactured  $\hat{S} \rightarrow [$ in the United States; and] by the person;  $\leftarrow \hat{S}$ 89 (c)  $\hat{S} \rightarrow$  that  $\leftarrow \hat{S}$  is not a franchise holder  $\hat{S} \rightarrow [-]$ ; 89a (d) that is domiciled in the United States; and 89b (e) whose chief officers direct, control, and coordinate the person's activities as a direct-sale 89c manufacturer from a physical location in the United States. (+\$ 90 (11) "Direct-sale manufacturer salesperson" means an individual who for a salary, 91 commission, or compensation of any kind, is employed either directly, indirectly, regularly, or occasionally by a direct-sale manufacturer to sell, purchase, or exchange or to negotiate for the 92 sale, purchase, or exchange of a motor vehicle manufactured by the direct-sale manufacturer 93 94 who employs the individual. 95 [(9)] (12) (a) "Dismantler" means a person engaged in the business of dismantling 96 motor vehicles subject to registration under Title 41, Chapter 1a, Motor Vehicle Act, for the 97 resale of parts or for salvage. 98 (b) "Dismantler" includes a person who dismantles three or more motor vehicles in any 99 12-month period. 100 [(10)] (13) "Distributor" means a person who has a franchise from a manufacturer of 101 motor vehicles to distribute motor vehicles within this state and who in whole or in part sells or 102 distributes new motor vehicles to dealers or who maintains distributor representatives. 103 [(11)] (14) "Distributor branch" means a branch office similarly maintained by a 104 distributor for the same purposes a factory branch is maintained. 105 [(12)] (15) "Distributor representative" means a person and each officer and employee 106 of the person engaged as a representative of a distributor or distributor branch of motor 107 vehicles to make or promote the sale of the distributor or the distributor branch's motor 108 vehicles, or for supervising or contacting dealers or prospective dealers of the distributor or the 109 distributor branch. 110 [(13)] (16) "Division" means the Motor Vehicle Enforcement Division created in 111 Section 41-3-104. 112 [(14)] (17) "Factory branch" means a branch office maintained by a person who 113 manufactures or assembles motor vehicles for sale to distributors, motor vehicle dealers, or 114 who directs or supervises the factory branch's representatives. [(15)] (18) "Factory representative" means a person and each officer and employee of 115 116 the person engaged as a representative of a manufacturer of motor vehicles or by a factory 117 branch to make or promote the sale of the manufacturer's or factory branch's motor vehicles, or 118 for supervising or contacting the dealers or prospective dealers of the manufacturer or the

## 1st Sub. (Buff) H.B. 369

150	(i) self-propelled;
151	(ii) a trailer, travel trailer, or semitrailer; or
152	(iii) an off-highway vehicle or small trailer.
153	(b) "Motor vehicle" does not include:
154	(i) mobile homes as defined in Section 41-1a-102;
155	(ii) trailers of 750 pounds or less unladen weight;
156	(iii) farm tractors and other machines and tools used in the production, harvesting, and
157	care of farm products; and
158	(iv) park model recreational vehicles as defined in Section 41-1a-102.
159	[(18)] (25) "Motorcycle" has the same meaning as defined in Section 41-1a-102.
160	[(20)] (26) "New motor vehicle" means a motor vehicle that:
161	(a) has never been titled or registered; and
162	(b) for a motor vehicle that is not a trailer, travel trailer, or semitrailer, has been driven
163	less than 7,500 miles[, unless the motor vehicle is an off-highway vehicle, small trailer, trailer,
164	travel trailer, or semitrailer, in which case the mileage limit does not apply].
165	[(21)] (27) "Off-highway vehicle" has the same meaning as provided in Section
166	41-22-2.
167	[(22)] (28) "Pawnbroker" means a person whose business is to lend money on security
168	of personal property deposited with him.
169	$[(23)]$ (29) (a) "Principal place of business" means $\hat{S} \rightarrow [-, except as provided in Subsection]$
170	$(29)(b)_{3}$ = $\hat{S}$ a site or location in this state:
171	[(a)] (i) devoted exclusively to the business for which the dealer, manufacturer,
172	remanufacturer, transporter, dismantler, crusher, or body shop is licensed, and businesses
173	incidental to them;
174	[(b)] (ii) sufficiently bounded by fence, chain, posts, or otherwise marked to definitely
175	indicate the boundary and to admit a definite description with space adequate to permit the
176	display of three or more new, or new and used, or used motor vehicles and sufficient parking
177	for the public; and
178	[(c)] (iii) that includes a permanent enclosed building or structure large enough to
179	accommodate the office of the establishment and to provide a safe place to keep the books and
180	other records of the business, at which the principal portion of the business is conducted and

## 02-27-18 5:32 PM

181	the books and records kept and maintained.
182	(b) "Principal place of business" means, with respect to a direct-sale manufacturer, the
183	<u>direct-sale manufacturer's showroom</u> $\hat{S} \rightarrow$ , which shall comply with the requirements of
183a	<u>Subsection (29)(a)</u> ←Ŝ .
184	[(24)] (30) "Remanufacturer" means a person who reconstructs used motor vehicles
185	subject to registration under Title 41, Chapter 1a, Motor Vehicle Act, to change the body style
186	and appearance of the motor vehicle or who constructs or assembles motor vehicles from used
187	or new and used motor vehicle parts, or who reconstructs, constructs, or assembles three or
188	more motor vehicles in any 12-month period.
189	[(25)] (31) "Salesperson" means an individual who for a salary, commission, or
190	compensation of any kind, is employed either directly, indirectly, regularly, or occasionally by
191	any new motor vehicle dealer or used motor vehicle dealer to sell, purchase, or exchange or to
192	negotiate for the sale, purchase, or exchange of motor vehicles.
193	[(26)] (32) "Semitrailer" has the same meaning as defined in Section 41-1a-102.
194	(33) "Showroom" means a site or location in the state that a direct-sale manufacturer
195	<u>uses</u> $\hat{S} \rightarrow [\underline{exclusively}] \leftarrow \hat{S}$ for $\hat{S} \rightarrow \underline{the \ direct-sale \ manufacturer's \ business, including \leftarrow \hat{S} \ \underline{the}$
195a	<u>display and demonstration of new motor vehicles</u> $\hat{S} \rightarrow \underline{\text{that are exclusively}} \leftarrow \hat{S}$ <u>of the same</u>
196	line-make that the direct-sale manufacturer manufactures.
197	[(27)] (34) "Small trailer" means a trailer that has an unladen weight of more than 750
198	pounds, but less than 2,000 pounds.
199	[(28)] (35) "Special equipment" includes a truck mounted crane, cherry picker, material
200	lift, post hole digger, and a utility or service body.
201	[(29)] (36) "Special equipment dealer" means a new or new and used motor vehicle
202	dealer engaged in the business of buying new incomplete motor vehicles with a gross vehicle
203	weight of 12,000 or more pounds and installing special equipment on the incomplete motor
204	vehicle.
205	[(30)] (37) "Trailer" has the same meaning as defined in Section 41-1a-102.
206	[(31)] (38) "Transporter" means a person engaged in the business of transporting motor
207	vehicles as described in Section 41-3-202.
208	[(32)] (39) "Travel trailer" has the same meaning as provided in Section 41-1a-102.
209	
	[(33)] (40) "Used motor vehicle" means a vehicle that:
210	[ <del>(33)</del> ] <u>(40)</u> "Used motor vehicle" means a vehicle that: (a) has been titled and registered to a purchaser other than a dealer; or

## 02-27-18 5:32 PM

243	(b) a direct-sale manufacturer salesperson is subject to the same provisions under this
244	chapter as a salesperson.
245	(5) Notwithstanding any provision of this chapter to the contrary, a direct-sale
246	manufacturer:
247	(a) may sell, display for Ŝ→ [sell] sale ←Ŝ, or offer for sale or exchange a motor vehicle
247a	described in
248	Subsection 41-3-102(10)(b) without a franchise; and
249	(b) may not sell, display for sale, or offer for sale or exchange a new motor vehicle that
250	is not of the same line-make the direct-sale manufacturer manufactures.
251	Section 4. Section <b>41-3-105</b> is amended to read:
252	41-3-105. Administrator's powers and duties Administrator and investigators
253	to be law enforcement officers.
254	(1) The administrator may make rules to carry out the purposes of this chapter and
255	Sections 41-1a-1001 through 41-1a-1007 according to the procedures and requirements of Title
256	63G, Chapter 3, Utah Administrative Rulemaking Act.
257	(2) (a) The administrator may employ clerks, deputies, and assistants necessary to
258	discharge the duties under this chapter and may designate the duties of those clerks, deputies,
259	and assistants.
260	(b) The administrator, assistant administrator, and all investigators shall be law
261	enforcement officers certified by peace officer standards and training as required by Section
262	53-13-103.
263	(3) (a) The administrator may investigate any suspected or alleged violation of:
264	(i) this chapter;
265	(ii) Title 41, Chapter 1a, Motor Vehicle Act;
266	(iii) any law concerning motor vehicle fraud; or
267	(iv) any rule made by the administrator.
268	(b) The administrator may bring an action in the name of the state against any person to
269	enjoin a violation found under Subsection (3)(a).
270	(4) (a) The administrator may prescribe forms to be used for applications for licenses.
271	(b) The administrator may require information from the applicant concerning the
272	applicant's fitness to be licensed.
273	(c) Each application for a license shall contain: