

House Bill 2566

Sponsored by COMMITTEE ON TRANSPORTATION (at the request of Oregon Vehicle Dealer Association)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Permits vehicle dealers from other jurisdictions to sell vehicles at auctions held by person certified as vehicle dealer in this state.

A BILL FOR AN ACT

1
2 Relating to vehicle dealers; amending ORS 822.015, 822.070, 822.093 and 822.094.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 822.015 is amended to read:

5 822.015. (1) In addition to any exemptions from the vehicle code under ORS 801.026, ORS 822.005
6 does not apply to the following vehicles or persons:

7 [(1)] (a) Road rollers, farm tractors, farm trailers, trolleys, implements of husbandry, emergency
8 vehicles, well-drilling machinery and boat or utility trailers with a gross weight of 1,800 pounds or
9 less.

10 [(2)] (b) The owner of a vehicle as shown by the vehicle title issued by any jurisdiction if the
11 person owned the vehicle primarily for personal, family or household purposes. If the person has
12 sold, traded, displayed or offered for sale, trade or exchange more than five vehicles in one calendar
13 year, the person shall have the burden of proving that the person owned the vehicles primarily for
14 personal, family or household purposes or for other purposes that the Department of Transportation,
15 by rule, defines as constituting an exemption under this section.

16 [(3)] (c) A receiver, trustee, personal representative or public officer while performing any offi-
17 cial duties.

18 [(4)] (d) The lessor or security interest holder of a vehicle as shown by the vehicle title issued
19 by any jurisdiction.

20 [(5)] (e) Except as otherwise provided in this [subsection] **paragraph**, a manufacturer who sells
21 vehicles the manufacturer has manufactured in Oregon. Nothing in this [subsection] **paragraph**
22 prevents any manufacturer from obtaining a vehicle dealer certificate under ORS 822.020. This
23 [subsection] **paragraph** does not exempt a manufacturer who sells or trades campers or travel
24 trailers.

25 [(6)] (f) An insurance adjuster authorized to do business under ORS 744.505 or 744.515 who is
26 disposing of vehicles for salvage.

27 [(7)] (g) Except as otherwise provided in this [subsection] **paragraph**, a person who sells or
28 trades or offers to sell or trade a vehicle that has been used in the operation of the person's busi-
29 ness. This [subsection] **paragraph** does not exempt a person who is in the business of selling, trad-
30 ing, displaying, rebuilding, renting or leasing vehicles from any requirement to obtain a certificate
31 for dealing in those vehicles.

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 [(8)] (h) A person who is licensed as a vehicle dealer in another jurisdiction who is participating
 2 with [other dealers] a person who holds a vehicle dealer certificate issued or renewed under
 3 ORS 822.020 or 822.040 in a display of vehicles, including but not limited to an auto show. This
 4 [subsection] paragraph applies only if the display is an event that lasts for 10 days or less and is
 5 an event for which the public is charged admission.

6 (i) A person who is licensed as a vehicle dealer in another jurisdiction who is participat-
 7 ing in an auction of vehicles held by a person that holds a vehicle dealer certificate issued
 8 or renewed under ORS 822.020 or 822.040 when the bidding on the sale of vehicles is limited
 9 to:

10 (A) A person certified or licensed as a vehicle dealer in this state or another jurisdiction;
 11 and

12 (B) A person who provides proof that the person is an employee of a person that holds
 13 a vehicle dealer certificate issued or renewed under ORS 822.020 or 822.040.

14 [(9)] (j) A person who receives no money, goods or services, either directly or indirectly, for
 15 displaying a vehicle or acting as an agent in the buying or selling of a vehicle.

16 [(10)] (k) A person who collects, purchases, acquires, trades or disposes of vehicles and vehicle
 17 parts for the person's own use in order to preserve, restore and maintain vehicles for the person's
 18 own use or for hobby or historical purposes.

19 [(11)] (L) A manufactured structure dealer subject to the licensing requirement of ORS 446.671
 20 or a person exempt from licensing under ORS 446.676 when selling a vehicle, trailer or semitrailer
 21 accepted in trade as part of a manufactured structure transaction. A manufactured structure deal-
 22 ership or exempt person may not directly sell more than three vehicles per calendar year under
 23 authority of this [subsection] paragraph, but by consignment with a dealer certified under ORS
 24 822.020 or 822.040 may sell an unlimited number of vehicles acquired as described in this
 25 [subsection] paragraph.

26 [(12)] (m) A lien claimant who sells vehicles in order to foreclose possessory liens.

27 [(13)] (n) A lien claimant who, in a 12-month period, sells 12 or fewer vehicles that the lien
 28 claimant acquired through possessory liens if the vehicles are sold at the business location of the
 29 lien claimant.

30 [(14)] (o) Electric personal assistive mobility devices.

31 (2) The department may adopt rules for the regulation of auctions described in subsection
 32 (1)(i) of this section and may require any proof, including but not limited to payroll records,
 33 the department considers necessary to determine whether a person is an employee of a
 34 person that holds a vehicle dealer certificate issued or renewed under ORS 822.020 or 822.040.

35 **SECTION 2.** ORS 822.070 is amended to read:

36 822.070. (1) A person commits the offense of conducting an illegal vehicle rebuilding business if
 37 the person is not the holder of a valid current dealer certificate issued under ORS 822.020 and the
 38 person does any of the following as part of a business:

39 (a) Buys, sells or deals in assembled, reconstructed or substantially altered motor vehicles.

40 (b) Engages in making assembled, reconstructed or substantially altered vehicles from motor
 41 vehicle components.

42 (2) This section does not apply to the following persons or vehicles:

43 (a) An insurance adjuster authorized to do business under ORS 744.505 or 744.515 who is dis-
 44 posing of vehicles for salvage.

45 (b) Vehicles or persons exempt from the vehicle dealer certificate requirements by ORS 822.015

1 [(1) or (10)] (1)(a) or (k).

2 (c) Motor vehicles that are not of a type required to be registered under the vehicle code.

3 (d) The holder of a dismantler certificate issued under ORS 822.110.

4 (3) The offense described in this section, conducting an illegal vehicle rebuilding business, is a
5 Class A misdemeanor.

6 **SECTION 3.** ORS 822.093 is amended to read:

7 822.093. (1) Notwithstanding ORS 822.015 [(12) or (13)] (1)(m) or (n), a lien claimant who sells
8 or offers for sale vehicles being sold to foreclose possessory liens, or sells or offers for sale vehicles
9 acquired through possessory liens, shall keep records sufficient to establish that all vehicles being
10 sold or offered for sale were acquired by the lien claimant as the result of a possessory lien. Records
11 kept in accordance with this subsection must be made available to the Department of Transportation
12 on request.

13 (2) The department may adopt such rules as are necessary to carry out the provisions of this
14 section, including but not limited to rules that:

15 (a) Specify the form in which the records must be kept, how the records must be maintained and
16 the period for which they must be retained.

17 (b) Specify how the records will be provided to the department if requested.

18 (c) Specify how lien claimants will notify the department when vehicles are sold to foreclose
19 possessory liens and when vehicles acquired through possessory liens are sold.

20 (3) Rules adopted under this section shall be developed in consultation with representatives of
21 those lien claimants who may be affected by this section, including but not limited to towing busi-
22 ness operators.

23 (4) The department may impose a civil penalty, in an amount not to exceed \$1,000 for each vi-
24 olation, against any person who violates this section or any rules adopted by the department under
25 this section. Civil penalties shall be imposed as provided in ORS 183.745.

26 **SECTION 4.** ORS 822.094 is amended to read:

27 822.094. A sale, consignment or other transfer by a lien claimant does not constitute a sale for
28 purposes of ORS 822.015 [(13)] (1)(n) if the sale, consignment or other transfer is to the holder of
29 a current, valid dismantler certificate issued under ORS 822.110 or to the holder of a current, valid
30 vehicle dealer certificate issued under ORS 822.020.

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