

**PROPOSED AMENDMENTS TO
SENATE BILL 613**

1 On page 1 of the printed bill, line 2, delete “creating new provisions;”.

2 Delete lines 5 through 30 and delete pages 2 through 5 and insert:

3 **“SECTION 1.** ORS 822.027 is amended to read:

4 “822.027. (1) Except as provided in [*subsection (2)*] **subsections (2) and**
5 **(3)** of this section, the following education requirements apply to an appli-
6 cant for a vehicle dealer certificate under ORS 822.020 or 822.040:

7 “(a) An applicant for a vehicle dealer certificate under ORS 822.020 must
8 complete a minimum of eight hours of **courses in any** approved **precertif-**
9 **ication** education [*programs*] **program** described in subsection (4) of this
10 section and pass [*a test*] **the tests required under paragraph (c) of this**
11 **subsection** within one year prior to submitting an application for the cer-
12 tificate; and

13 “(b) An applicant for a renewal certificate under ORS 822.040 must, **in**
14 **each year of a certification period**, complete a minimum of [*five*] **four**
15 hours [*per year in a licensing period*] of **courses in any** approved continuing
16 education [*programs*] **program** described in subsection (4) of this section **and**
17 **pass the tests required under paragraph (c) of this subsection** prior to
18 submitting an application for the renewal certificate. **An applicant may**
19 **not repeat a course in an approved continuing education program for**
20 **which the applicant previously obtained credit within the same certifi-**
21 **ication period.**

22 “(c) **For each course hour required under paragraphs (a) and (b) of**

1 **this subsection, the provider shall administer a test and the applicant**
2 **must pass each test with a score of at least 70 percent in order to re-**
3 **ceive credit for the course hour. Each test must contain at least 10**
4 **questions.**

5 “(2) The **precertification** education requirements in subsection (1)(a) of
6 this section do not apply to an applicant for a vehicle dealer certificate un-
7 der ORS 822.020 or 822.040 if, at the time of application, the applicant holds
8 another certificate issued under ORS 822.020 or 822.040.

9 “(3) The continuing education requirements of subsection (1)(b) of this
10 section do not apply to an applicant for renewal of a vehicle dealer certif-
11 icate under ORS 822.040 if the applicant is:

12 “(a) A dealer having a franchise in this state for nationally advertised
13 and recognized motor vehicles;

14 “(b) A dealer having a franchise in this state for new recreational vehi-
15 cles;

16 “(c) A motor vehicle rental company having a national franchise under
17 the ownership of a corporation that operates throughout the United States;
18 or

19 “(d) A national auction company that holds a vehicle dealer certificate
20 and a dismantler certificate whose primary activity in this state is the sale
21 or disposition of totaled vehicles.

22 “(4) **Precertification and continuing** education programs and the [test]
23 **tests** required in subsection (1) of this section may be developed by any
24 motor vehicle industry organization including, but not limited to, the Oregon
25 Independent Auto Dealers Association and shall be submitted to the advisory
26 committee established under ORS 802.370 for approval. **Each education**
27 **program and the corresponding tests shall be submitted for approval**
28 **every two years.** The committee shall **vote to approve or deny** any [pro-
29 gram] **program** or test [that]. **A program that is approved must [pertains**
30 **to the motor vehicle industry and includes] cover** state and federal law in at

1 least the following areas:

2 “(a) Motor vehicle advertising;

3 “(b) Odometer laws and regulations;

4 “(c) Vehicle licensing and registration;

5 “(d) Unlawful dealer activities;

6 “(e) Environmental rules and regulations;

7 “(f) Oregon and industry standard motor vehicle forms;

8 “(g) Truthful lending practices;

9 “(h) Motor vehicle financing;

10 “(i) Service and warranty contracts; and

11 “(j) Land use regulations governing motor vehicle dealers.

12 “(5) Education programs and the [test] tests required in subsection (1) of
13 this section may be provided by accredited educational institutions, private
14 vocational schools, correspondence schools or trade associations if the edu-
15 cation programs and [test] tests have been approved by the advisory com-
16 mittee established under ORS 802.370 as required in subsection (4) of this
17 section.

18 “(6) **The approval of an education program or test under subsection**
19 **(4) of this section expires two years from the date of the approval.**

20 “**SECTION 2.** ORS 822.020 is amended to read:

21 “822.020. Except as provided in ORS 822.035 (8), the Department of
22 Transportation shall issue a vehicle dealer certificate to any person if the
23 person meets all of the following requirements:

24 “(1) The person must complete the application for a dealer certificate de-
25 scribed under ORS 822.025.

26 “(2) The person must deliver to the department a bond or letter of credit
27 that meets the requirements under ORS 822.030.

28 “(3) The person must deliver to the department a certificate of insurance
29 that meets the requirements established by ORS 822.033.

30 “(4) The person must pay the fee required under ORS 822.700 for issuance

1 of a vehicle dealer certificate.

2 “(5) The person must certify completion of the **precertification** education
3 and test requirements of ORS 822.027 (1)(a) if the person is a dealer subject
4 to the education and test requirements.

5 **“SECTION 3.** ORS 822.025 is amended to read:

6 “822.025. An application for a vehicle dealer certificate issued by the De-
7 partment of Transportation under ORS 822.020 shall be in a form prescribed
8 by the department and shall contain all of the following:

9 “(1) The names and residence addresses of the persons applying, **as fol-**
10 **lows:**

11 “(a) If the applicant is a firm or partnership, the name of the firm or
12 partnership with the names and residence addresses of all members thereof.

13 “(b) If the applicant is a corporation, the name of the corporation with
14 the names of the principal officers and their residence addresses and the
15 name of the state under whose laws the corporation is organized.

16 “(2) The name under which the business will be conducted.

17 “(3) The street address, including city and county in Oregon, where the
18 business will be conducted.

19 “(4) Whether or not used vehicles are handled.

20 “(5) A certificate from the applicant showing that the applicant will act
21 as a vehicle dealer and will conduct business at the location given on the
22 application.

23 “(6) A certificate signed by a person authorized by the local governing
24 body to do so, stating that the location of the business as given in the ap-
25 plication for a certificate complies with any land use ordinances or business
26 regulatory ordinances of the city or county. The provisions of this subsection
27 do not apply to renewal of a vehicle dealer certificate under ORS 822.040
28 unless the location of the business is being changed at the time of renewal.

29 “(7) Any information required by the department to efficiently administer
30 the registration of vehicles and regulation of dealers or other relevant in-

1 formation required by the department.

2 “(8) **If the applicant is a dealer subject to the education and test**
3 **requirements under ORS 822.027 (1)(a)**, a certificate from the provider of
4 each **precertification** education program [*or test showing*] **listing the**
5 **courses** that the applicant has completed **and the tests that the applicant**
6 **has passed in the precertification** education [*programs and passed the test*
7 *required under ORS 822.027 (1) if the applicant is a dealer subject to the ed-*
8 *ucation and test requirements*] **program.**

9 “(9) If the applicant will offer new recreational vehicles for sale, a cer-
10 tificate from the applicant stating that the applicant will maintain a recre-
11 ational vehicle service facility at the street address provided by the applicant
12 pursuant to subsection (3) of this section.

13 **“SECTION 4.** ORS 822.040 is amended to read:

14 “822.040. (1) The holder of a current, valid vehicle dealer certificate issued
15 under ORS 822.020 may exercise the following privileges under the certifi-
16 cate:

17 “(a) A dealer is authorized, without violating ORS 803.025 or 803.300, to
18 use and operate over and along the highways of this state all vehicles dis-
19 playing the dealer’s plates whether registered or not or whether or not a title
20 is issued for the vehicle. This paragraph does not authorize dealers to use
21 or operate vehicles under dealer plates unless the vehicles are actually
22 owned or controlled by the dealer and in actual use by the dealer, members
23 of the dealer’s firm, any salesperson thereof or any person authorized by the
24 dealer. Vehicles operated under dealer plates may be used for the same pur-
25 poses as are any other vehicles registered in this state that are registered
26 by payment of the fee under ORS 803.420. This paragraph is subject to the
27 limitations under ORS 822.045.

28 “(b) A dealer is entitled to receive dealer plates or devices and replace-
29 ment or additional dealer plates or devices. As many additional dealer plates
30 as may be desired may be obtained upon the filing of a formal application

1 for additional plates with the Department of Transportation. The plates is-
2 sued to dealers shall require the payment of fees as provided under ORS
3 805.250.

4 “(c) The person is not subject to the prohibitions and penalties under ORS
5 822.005 as long as the holder’s vehicle dealer business is conducted in a lo-
6 cation approved under the certificate.

7 “(d) The dealer shall be considered the owner of vehicles manufactured
8 or dealt in by the dealer, before delivery and sale of the vehicles, and of all
9 vehicles in the dealer’s possession and operated or driven by the dealer or
10 the dealer’s employees.

11 “(2) The holder of a vehicle dealer certificate may open additional places
12 of business under the same business name by obtaining a supplemental cer-
13 tificate from the department under this subsection. The following all apply
14 to a supplemental certificate issued under this subsection:

15 “(a) The department shall not issue a supplemental certificate under this
16 subsection if the additional place of business opened will be operated under
17 a different business name than that indicated on the current certificate. Any
18 business that a vehicle dealer operates under a separate business name must
19 be operated under a separate certificate and the dealer must apply for and
20 pay the fees for a regular dealer certificate for the business.

21 “(b) A supplemental certificate issued under this subsection is subject to
22 the fee for supplemental certificate under ORS 822.700.

23 “(3) The holder of a vehicle dealer certificate may move a place of busi-
24 ness or change a business name by obtaining a corrected certificate from the
25 department. For purposes of this subsection, ‘place of business’ includes a
26 recreational vehicle service facility as defined in ORS 822.082. The following
27 apply to a corrected certificate issued under this subsection:

28 “(a) The department shall prescribe the form for application for a cor-
29 rected certificate.

30 “(b) A person applying for a corrected certificate shall pay the fee for the

1 corrected certificate established in ORS 822.700.

2 “(4) The department may establish by rule the requirements a holder of
3 a vehicle dealer certificate must meet to display a vehicle at a location other
4 than the dealer’s place of business for the purpose of advertising without
5 first obtaining a supplemental certificate from the department. In addition
6 to any requirements established by the department by rule, all of the fol-
7 lowing apply:

8 “(a) The dealer must have a signed agreement with the owner of the
9 property or the person using the property where the vehicle is to be dis-
10 played stating that the vehicle is for an advertising promotion only and that
11 the processing of any documents or other activities required to purchase a
12 vehicle must be done at the dealer’s place of business.

13 “(b) The vehicle on display must be clearly marked with the dealer’s name
14 and contact information and a notice that the vehicle is displayed only for
15 the purpose of advertising and may be purchased only at the dealer’s place
16 of business.

17 “(c) Displaying the vehicle must not violate any zoning laws or ordi-
18 nances.

19 “(d) The dealer or the dealer’s employees may not remain with the vehicle
20 except for the purpose of moving the vehicle in or out of the display area.

21 “(5) A vehicle dealer certificate is valid for a three-year period and may
22 be renewed as provided by the department. The department shall only renew
23 a certificate if the applicant for renewal does all of the following:

24 “(a) Pays the required fee for renewal under ORS 822.700.

25 “(b) Delivers to the department a bond that meets the requirements under
26 ORS 822.030.

27 “(c) Delivers to the department a certificate of insurance that meets the
28 requirements under ORS 822.033.

29 “(d) Provides the names of all partners or corporate officers.

30 “(e) Certifies completion of the **continuing** education requirements of

1 ORS 822.027 (1)(b) if the person is a dealer subject to the education re-
2 quirements.

3 “(f) If the dealer offers new recreational vehicles for sale under the cer-
4 tificate, certifies that the dealer maintains a recreational vehicle service fa-
5 cility as listed in the dealer certificate application described in ORS 822.025.

6 “(6) The department may adopt suitable rules for the issuance and re-
7 newal of certificates under this section and ORS 822.020.

8 **“SECTION 5. The amendments to ORS 822.020, 822.025, 822.027 and**
9 **822.040 by sections 1 to 4 of this 2013 Act apply to applications sub-**
10 **mitted on or after the effective date of this 2013 Act. However, a ve-**
11 **hicle dealer certified as of the day immediately preceding the effective**
12 **date of this 2013 Act shall continue to be governed by ORS 822.020,**
13 **822.025, 822.027 and 822.040 as in effect immediately before the effective**
14 **date of this 2013 Act until the expiration of the vehicle dealer certif-**
15 **icate.”.**

16
