

D R A F T

SUMMARY

Clarifies who may participate in vehicle dealer auction or display of vehicles without holding vehicle dealer certificate.

A BILL FOR AN ACT

Relating to vehicle dealer exemptions; amending ORS 822.015, 822.070, 822.093 and 822.094.

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

SECTION 1. ORS 822.015 is amended to read:

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

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

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

(c) A receiver, trustee, personal representative or public officer while performing any official duties.

(d) The lessor or security interest holder of a vehicle as shown by the

1 vehicle title issued by any jurisdiction.

2 (e) Except as otherwise provided in this paragraph, a manufacturer who
3 sells vehicles the manufacturer has manufactured in Oregon. Nothing in this
4 paragraph prevents any manufacturer from obtaining a vehicle dealer certifi-
5 cate under ORS 822.020. This paragraph does not exempt a manufacturer
6 who sells or trades campers or travel trailers.

7 (f) An insurance adjuster authorized to do business under ORS 744.505 or
8 744.515 who is disposing of vehicles for salvage.

9 (g) Except as otherwise provided in this paragraph, a person who sells
10 or trades or offers to sell or trade a vehicle that has been used in the oper-
11 ation of the person's business. This paragraph does not exempt a person who
12 is in the business of selling, trading, displaying, rebuilding, renting or leas-
13 ing vehicles from any requirement to obtain a certificate for dealing in those
14 vehicles.

15 *[(h) A person who is licensed as a vehicle dealer in another jurisdiction,*
16 *or who is an authorized representative of a vehicle dealer licensed in another*
17 *jurisdiction, and who:]*

18 *[(A) Participates with other dealers in a display of vehicles, including but*
19 *not limited to an auto show, if the display is an event that lasts for 10 days*
20 *or less and is an event for which the public is charged admission; or]*

21 *[(B) Participates in a vehicle auction conducted by a vehicle dealer who*
22 *holds a vehicle dealer certificate issued or renewed under ORS 822.020 or*
23 *822.040, provided that only certified or licensed vehicle dealers and their au-*
24 *thorized representatives are permitted to participate in the auction.]*

25 *[(i)]* **(h)** A person who receives no money, goods or services, either di-
26 rectly or indirectly, for displaying a vehicle or acting as an agent in the
27 buying or selling of a vehicle.

28 *[(j)]* **(i)** A person who collects, purchases, acquires, trades or disposes of
29 vehicles and vehicle parts for the person's own use in order to preserve, re-
30 store and maintain vehicles for the person's own use or for hobby or histor-
31 ical purposes.

1 [(k)] (j) A manufactured structure dealer subject to the licensing re-
2 quirement of ORS 446.671 or a person exempt from licensing under ORS
3 446.676 when selling a vehicle, trailer or semitrailer accepted in trade as part
4 of a manufactured structure transaction. A manufactured structure dealer-
5 ship or exempt person may not directly sell more than three vehicles per
6 calendar year under authority of this paragraph, but by consignment with a
7 dealer certified under ORS 822.020 or 822.040 may sell an unlimited number
8 of vehicles acquired as described in this paragraph.

9 [(L)] (k) A lien claimant who sells vehicles in order to foreclose
10 possessory liens.

11 [(m)] (L) A lien claimant who, in a 12-month period, sells 12 or fewer
12 vehicles that the lien claimant acquired through possessory liens if the ve-
13 hicles are sold at the business location of the lien claimant.

14 [(n)] (m) Electric personal assistive mobility devices.

15 **(2) Notwithstanding ORS 822.005, the following may participate with**
16 **other dealers in a display of vehicles, including but not limited to an**
17 **auto show, if the display is an event that lasts for 10 days or less and**
18 **is an event for which the public is charged admission:**

19 **(a) A person who is licensed as a vehicle dealer in another juris-**
20 **diction; or**

21 **(b) Any employee of a person who is licensed as a vehicle dealer in**
22 **another jurisdiction.**

23 **(3) Notwithstanding ORS 822.005, a person who is licensed as a ve-**
24 **hicle dealer in another jurisdiction or an employee of a person who is**
25 **certified or licensed as a vehicle dealer may participate in a vehicle**
26 **auction if the vehicle auction is:**

27 **(a) Conducted by a vehicle dealer who holds a vehicle dealer certif-**
28 **icate issued or renewed under ORS 822.020 or 822.040; and**

29 **(b) Open only to certified or licensed vehicle dealers or their em-**
30 **ployees.**

31 [(2)] (4) The department shall adopt rules to carry out the provisions of

1 this section, including but not limited to specifying which dealers may take
2 vehicles on consignment from other jurisdictions.

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

4 822.070. (1) A person commits the offense of conducting an illegal vehicle
5 rebuilding business if the person is not the holder of a valid current dealer
6 certificate issued under ORS 822.020 and the person does any of the following
7 as part of a business:

8 (a) Buys, sells or deals in assembled, reconstructed or substantially al-
9 tered motor vehicles.

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

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

13 (a) An insurance adjuster authorized to do business under ORS 744.505
14 or 744.515 who is disposing of vehicles for salvage.

15 (b) Vehicles or persons exempt from the vehicle dealer certificate re-
16 quirements by ORS 822.015 (1)(a) or [(j)] (i).

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

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

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

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

23 822.093. (1) Notwithstanding ORS 822.015 [(1)(L) or (m)] **(1)(k) or (L)**, a
24 lien claimant who sells or offers for sale vehicles being sold to foreclose
25 possessory liens, or sells or offers for sale vehicles acquired through
26 possessory liens, shall keep records sufficient to establish that all vehicles
27 being sold or offered for sale were acquired by the lien claimant as the result
28 of a possessory lien. Records kept in accordance with this subsection must
29 be made available to the Department of Transportation on request.

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

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

3 (b) Specify how the records will be provided to the department if re-
4 quested.

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

8 (3) Rules adopted under this section shall be developed in consultation
9 with representatives of those lien claimants who may be affected by this
10 section, including but not limited to towing business operators.

11 (4) The department may impose a civil penalty, in an amount not to ex-
12 ceed \$1,000 for each violation, against any person who violates this section
13 or any rules adopted by the department under this section. Civil penalties
14 shall be imposed as provided in ORS 183.745.

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

16 822.094. A sale, consignment or other transfer by a lien claimant does not
17 constitute a sale for purposes of ORS 822.015 [(1)(m)] **(1)(L)** if the sale,
18 consignment or other transfer is to the holder of a current, valid dismantler
19 certificate issued under ORS 822.110 or to the holder of a current, valid ve-
20 hicle dealer certificate issued under ORS 822.020.

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