

House Bill 2266

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Transportation and Economic Development)

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**.

Provides exemption from weight-mile tax for vehicle dealers under certain conditions.

A BILL FOR AN ACT

1
2 Relating to vehicle dealers; amending ORS 822.040.

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

4 **SECTION 1.** ORS 822.040 is amended to read:

5 822.040. (1) The holder of a current, valid vehicle dealer certificate issued under ORS 822.020
6 may exercise the following privileges under the certificate:

7 (a) A dealer is authorized, without violating ORS 803.025 or 803.300, to use and operate over
8 and along the highways of this state all vehicles displaying the dealer's plates whether registered
9 or not or whether or not a title is issued for the vehicle. This paragraph does not authorize dealers
10 to use or operate vehicles under dealer plates unless the vehicles are actually owned or controlled
11 by the dealer and in actual use by the dealer, members of the dealer's firm, any salesperson thereof
12 or any person authorized by the dealer. Vehicles operated under dealer plates may be used for the
13 same purposes as are any other vehicles registered in this state that are registered by payment of
14 the fee under ORS 803.420. This paragraph is subject to the limitations under ORS 822.045.

15 (b) A dealer is entitled to receive dealer plates or devices and replacement or additional dealer
16 plates or devices. As many additional dealer plates as may be desired may be obtained upon the
17 filing of a formal application for additional plates with the Department of Transportation. The plates
18 issued to dealers shall require the payment of fees as provided under ORS 805.250.

19 (c) The person is not subject to the prohibitions and penalties under ORS 822.005 as long as the
20 holder's vehicle dealer business is conducted in a location approved under the certificate.

21 (d) The dealer shall be considered the owner of vehicles manufactured or dealt in by the dealer,
22 before delivery and sale of the vehicles, and of all vehicles in the dealer's possession and operated
23 or driven by the dealer or the dealer's employees.

24 (e) **Notwithstanding ORS 825.474, in lieu of paying the weight-mile tax imposed under ORS**
25 **825.474, the dealer may pay the fuel taxes imposed under ORS 319.020 and 319.530, when the**
26 **vehicle:**

27 (A) **Displays the dealer's plates;**

28 (B) **Is actually owned or controlled by the dealer and in actual use by the dealer, mem-**
29 **bers of the dealer's firm, any salesperson of the dealer or any person authorized by the**
30 **dealer;**

31 (C) **Is operated on the highway for the purpose of test driving the vehicle; and**

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 **(D) Is unloaded.**

2 (2) The holder of a vehicle dealer certificate may open additional places of business under the
 3 same business name by obtaining a supplemental certificate from the department under this sub-
 4 section. The following all apply to a supplemental certificate issued under this subsection:

5 (a) The department [shall] **may** not issue a supplemental certificate under this subsection if the
 6 additional place of business opened will be operated under a different business name than that in-
 7 dicated on the current certificate. Any business that a vehicle dealer operates under a separate
 8 business name must be operated under a separate certificate and the dealer must apply for and pay
 9 the fees for a regular dealer certificate for the business.

10 (b) A supplemental certificate issued under this subsection is subject to the fee for supplemental
 11 certificate under ORS 822.700.

12 (3) The holder of a vehicle dealer certificate may move a place of business or change a business
 13 name by obtaining a corrected certificate from the department. For purposes of this subsection,
 14 “place of business” includes a recreational vehicle service facility as defined in ORS 822.082. The
 15 following apply to a corrected certificate issued under this subsection:

16 (a) The department shall prescribe the form for application for a corrected certificate.

17 (b) A person applying for a corrected certificate shall pay the fee for the corrected certificate
 18 established in ORS 822.700.

19 (4) The department may establish by rule the requirements a holder of a vehicle dealer certif-
 20 icate must meet to display a vehicle at a location other than the dealer’s place of business for the
 21 purpose of advertising without first obtaining a supplemental certificate from the department. In
 22 addition to any requirements established by the department by rule, all of the following apply:

23 (a) The dealer must have a signed agreement with the owner of the property or the person using
 24 the property where the vehicle is to be displayed stating that the vehicle is for an advertising pro-
 25 motion only and that the processing of any documents or other activities required to purchase a
 26 vehicle must be done at the dealer’s place of business.

27 (b) The vehicle on display must be clearly marked with the dealer’s name and contact informa-
 28 tion and a notice that the vehicle is displayed only for the purpose of advertising and may be pur-
 29 chased only at the dealer’s place of business.

30 (c) Displaying the vehicle must not violate any zoning laws or ordinances.

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

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

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

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

38 (c) Delivers to the department a certificate of insurance that meets the requirements under ORS
 39 822.033.

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

41 (e) Certifies completion of the continuing education requirements of ORS 822.027 (1)(b) if the
 42 person is a dealer subject to the education requirements.

43 (f) If the dealer offers new recreational vehicles for sale under the certificate, certifies that the
 44 dealer maintains a recreational vehicle service facility as listed in the dealer certificate application
 45 described in ORS 822.025.

1 (6) The department may adopt suitable rules for the issuance and renewal of certificates under
2 this section and ORS 822.020.
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