

House Bill 2886

Sponsored by 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**.

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

A BILL FOR AN ACT

1
2 Relating to vehicle dealer exemptions; 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 (a) Road rollers, farm tractors, farm trailers, trolleys, implements of husbandry, emergency ve-
8 hicles, well-drilling machinery and boat or utility trailers with a gross weight of 1,800 pounds or
9 less.

10 (b) The owner of a vehicle as shown by the vehicle title issued by any jurisdiction if the person
11 owned the vehicle primarily for personal, family or household purposes. If the person has sold,
12 traded, displayed or offered for sale, trade or exchange more than five vehicles in one calendar year,
13 the person shall have the burden of proving that the person owned the vehicles primarily for per-
14 sonal, 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 (c) A receiver, trustee, personal representative or public officer while performing any official
17 duties.

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

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

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

26 (g) Except as otherwise provided in this paragraph, a person who sells or trades or offers to sell
27 or trade a vehicle that has been used in the operation of the person's business. This paragraph does
28 not exempt a person who is in the business of selling, trading, displaying, rebuilding, renting or
29 leasing vehicles from any requirement to obtain a certificate for dealing in those vehicles.

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

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

4 [(B) *Participates in a vehicle auction conducted by a vehicle dealer who holds a vehicle dealer*
 5 *certificate issued or renewed under ORS 822.020 or 822.040, provided that only certified or licensed*
 6 *vehicle dealers and their authorized representatives are permitted to participate in the auction.*]

7 [(i) **(h)** A person who receives no money, goods or services, either directly or indirectly, for
 8 displaying a vehicle or acting as an agent in the buying or selling of a vehicle.

9 [(j) **(i)** A person who collects, purchases, acquires, trades or disposes of vehicles and vehicle
 10 parts for the person’s own use in order to preserve, restore and maintain vehicles for the person’s
 11 own use or for hobby or historical purposes.

12 [(k) **(j)** A manufactured structure dealer subject to the licensing requirement of ORS 446.671
 13 or a person exempt from licensing under ORS 446.676 when selling a vehicle, trailer or semitrailer
 14 accepted in trade as part of a manufactured structure transaction. A manufactured structure deal-
 15 ership or exempt person may not directly sell more than three vehicles per calendar year under
 16 authority of this paragraph, but by consignment with a dealer certified under ORS 822.020 or 822.040
 17 may sell an unlimited number of vehicles acquired as described in this paragraph.

18 [(L) **(k)** A lien claimant who sells vehicles in order to foreclose possessory liens.

19 [(m) **(L)** A lien claimant who, in a 12-month period, sells 12 or fewer vehicles that the lien
 20 claimant acquired through possessory liens if the vehicles are sold at the business location of the
 21 lien claimant.

22 [(n) **(m)** Electric personal assistive mobility devices.

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

26 **(a) A person who is licensed as a vehicle dealer in another jurisdiction; or**

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

28 **(3) Notwithstanding ORS 822.005, a person who is licensed as a vehicle dealer in another**
 29 **jurisdiction or an employee of a person who is certified or licensed as a vehicle dealer may**
 30 **participate in a vehicle auction if the vehicle auction is:**

31 **(a) Conducted by a vehicle dealer who holds a vehicle dealer certificate issued or renewed**
 32 **under ORS 822.020 or 822.040; and**

33 **(b) Open only to certified or licensed vehicle dealers or their employees.**

34 [(2) **(4)** The department shall adopt rules to carry out the provisions of this section, including
 35 but not limited to specifying which dealers may take vehicles on consignment from other jurisdic-
 36 tions.

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

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

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

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

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

45 (a) An insurance adjuster authorized to do business under ORS 744.505 or 744.515 who is dis-

1 posing of vehicles for salvage.

2 (b) Vehicles or persons exempt from the vehicle dealer certificate requirements by ORS 822.015
3 (1)(a) or [(j)] (i).

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

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

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

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

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

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

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

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

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

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

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

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

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

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