

1 **SENATE FLOOR VERSION**

2 April 10, 2023

3 ENGROSSED HOUSE  
4 BILL NO. 2244

By: Dobrinski of the House

and

5 Thompson (Roger) of the  
6 Senate

7  
8  
9 An Act relating to motor vehicles; defining terms;  
10 authorizing dealer management system providers  
11 perform certain actions; prohibiting dealer  
12 management system providers from certain actions;  
13 making conflicting term or condition of contracts  
14 void and unenforceable; requiring certain actions of  
15 authorized integrators; allowing dealers to withdraw,  
16 revoke or amend certain express written authorization  
17 under certain circumstances; requiring certain  
18 obligations to secure and prevent unauthorized access  
19 to certain information; stating certain parties not  
20 liable for certain actions; requiring indemnification  
21 for certain claims; requiring manufacturers to allow  
22 new motor vehicle dealers to make certain offers to  
23 consumers; making certain exceptions; limiting  
24 certain applications; amending 21 O.S. 2021, Section  
918, which relates to the sale, barter or exchange of  
motor vehicles on Sunday prohibited; modifying name  
of certain entity; amending 47 O.S. 2021, Section  
562, which relates to definitions; modifying  
definitions; defining terms; amending 47 O.S. 2021,  
Section 563, which relates to Oklahoma Motor Vehicle  
Commission; modifying name of certain entity;  
requiring certain delivery agreement forms for  
certain deliveries; amending 47 O.S. 2021, Section  
564, which relates to licenses; requiring powersports  
dealers obtain certain license; disallowing certain  
authorization; making certain exception; amending 47  
O.S. 2021, Section 564.1, which relates to off-  
premises displays of new motor vehicles; modifying  
name of certain entity; making certain authorization;

1 removing certain request for variance; amending 47  
2 O.S. 2021, Section 564.2, which relates to  
3 certificates of registration for new motor vehicle  
4 salesperson; modifying name of certain entity;  
5 amending 47 O.S. 2021, Section 565, as amended by  
6 Section 3, Chapter 192, O.S.L. 2022 (47 O.S. Supp.  
7 2022, Section 565), which relates to denial,  
8 revocation, or suspension of license; modifying name  
9 of certain entity; modifying entity subject to  
10 license denial, revocation, suspension, or fine;  
11 modifying reasons for license denial, revocation,  
12 suspension, or punishment by fine; prohibiting  
13 certain standards to measure performance; requiring  
14 certain vehicles be offered at same price; requiring  
15 certain reimbursement for rental cars; making certain  
16 exception; requiring new vehicles be distributed in  
17 certain manner; limiting dealers to one part or labor  
18 rate request per year; modifying certain time frame  
19 for rebuttal; providing for certain calculation;  
20 providing for exclusions for certain rate  
21 calculation; modifying reasons for certain rebuttal;  
22 allowing certain written request; allowing certain  
23 adjustments; requiring certain written notice;  
24 prohibiting certain recovery of costs; allowing for  
certain price increases and charges; prohibiting  
factory denial of certain claims and implementation  
of certain charge-backs; requiring certain  
documentation and written attestation; providing for  
certain compensation calculation; requiring certain  
method for used vehicle calculations; allowing  
factory to direct dealer in certain manner and  
method; requiring certain reimbursement claims be  
subject to certain limitations and requirements;  
placing certain limit on total compensation;  
disallowing certain remedy combinations; disallowing  
the use of certain agreements; making certain  
exception; providing for certain violation; making  
certain exceptions; allowing for certain construction  
or renovation; providing certain rebuttable  
presumption; prohibiting factories from changing  
certain plans or systems; limiting license for  
distribution; allowing manufacturer or distributor to  
require certain dealer compliance; amending 47 O.S.  
2021, Section 565.1, which relates to succession  
dealerships; defining term; clarifying language;  
requiring adherence to certain agreement; requiring  
certain changes be in compliance with existing law;

1 amending 47 O.S. 2021, Section 565.2, which relates  
2 to termination, cancellation, or nonrenewal of  
3 franchise; modifying terms; requiring certain hearing  
4 be held within certain time frame; allowing for  
5 certain extension; requiring certain compensation;  
6 amending 47 O.S. 2021, Section 565.3, which relates  
7 to notice of proposed sale; requiring use of certain  
8 standards; requiring certain changes be in compliance  
9 with existing law; limiting certain evaluations;  
10 deleting certain protest right; requiring the  
11 submission of certain agreement; amending 47 O.S.  
12 2021, Sections 566, 566.1, 567, and 576, which relate  
13 to procedure for denial, suspension, or revocation of  
14 license, application of the Administrative Procedures  
15 Act, injunctions, and petty cash fund; modifying name  
16 of certain entity; amending 47 O.S. 2021, Section  
17 578.1, which relates to procedures for relocation or  
18 establishment; modifying definition; making certain  
19 exceptions; amending 47 O.S. 2021, Section 579, which  
20 relates to relocation or establishment of franchises;  
21 modifying name of certain entity; amending 47 O.S.  
22 2021, Section 580.2, which relates to insurance  
23 coverage on loan vehicles; defining term; making  
24 certain liability policy coverage distinction;  
amending 47 O.S. 2021, Section 583, as amended by  
Section 3, Chapter 107, O.S.L. 2022 (47 O.S. Supp.  
2022, Section 583), which relates to license  
required; modifying name of certain entity; amending  
47 O.S. 2021, Section 583.1, as amended by Section 4,  
Chapter 107, O.S.L. 2022 (47 O.S. Supp. 2022, Section  
583.1), which relates to certificate of registration  
for used motor vehicle or manufactured home  
salespersons; modifying name of certain entity;  
amending 47 O.S. 2021, Sections 596.1, 596.2, 596.3,  
596.5, 596.7, 596.8, 596.14, 596.15, 596.16, and  
1116.1, which relate to definitions, new recreational  
vehicle dealer, dealer sales responsibility,  
manufacturer termination of dealer agreement, sale of  
inventory after termination of dealer agreement, sale  
of business assets, denial of application for  
license, cause of action, remedies, new vehicles;  
modifying definitions; defining terms; modifying name  
of certain entity; updating statutory references;  
amending 47 O.S. 2021, Section 1128, as amended by  
Section 142, Chapter 282, O.S.L. 2022 (47 O.S. Supp.  
2022, Section 1128), which relates to manufacturer's  
or dealer's license; modifying name of certain

1 entities; amending 47 O.S. 2021, Section 1137.3, as  
2 amended by Section 172, Chapter 282, O.S.L. 2022 (47  
3 O.S. Supp. 2022, Section 1137.3), which relates to  
4 registration and licensing of new motor vehicle,  
5 trailer or commercial trailer; modifying name of  
6 certain entity; amending 62 O.S. 2021, Section 155,  
7 which relates to state boards, commissions and  
8 departments; modifying name of certain entity;  
9 amending 74 O.S. 2021, Section 3601.1, as amended by  
10 Section 24, Chapter 107, O.S.L. 2022 (74 O.S. Supp.  
11 2022, Section 3601.1), which relates to employee  
12 defined; modifying name of certain entity; repealing  
13 47 O.S. 2021, Section 1128, as amended by Section 21,  
14 Chapter 107, O.S.L. 2022 (47 O.S. Supp. 2022, Section  
15 1128), which relates to manufacturer's or dealer's  
16 license; providing for codification; and providing an  
17 effective date.

18 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

19 SECTION 1. NEW LAW A new section of law to be codified  
20 in the Oklahoma Statutes as Section 564.3 of Title 47, unless there  
21 is created a duplication in numbering, reads as follows:

22 A. As used in this section:

23 1. "Access fee" means a requirement to pay money for access to  
24 protected dealer data;

2. "Authorized integrator" means a person who a dealer has a  
contractual relationship with or the dealer otherwise gives express  
written authorization to have access to protected dealer data stored  
on a dealer data system or to write protected dealer data to the  
dealer data system for the purpose of performing a specific function  
for the dealer;

1       3. "Dealer data system" means software, hardware or firmware  
2 that a dealer leases or rents from a dealer management system  
3 provider for the purpose of storing protected dealer data;

4       4. "Dealer management system provider" means a person who, for  
5 compensation, maintains and provides access to a dealer data system  
6 in which a dealer stores protected dealer data;

7       5. "Protected dealer data" means:

8           a. consumer data that a dealer generated or that the  
9 consumer provided to the dealer that is not otherwise  
10 publicly available and the consumer has not otherwise  
11 provided consent or acknowledgment to share the  
12 information, and

13           b. any other dealer data in connection with the dealer's  
14 daily business operations in which a dealer has rights  
15 in a dealer data system; and

16       6. Authorized integrator and dealer management system provider  
17 do not include:

18           a. a manufacturer, distributor or importer or any entity  
19 that is a subsidiary or affiliate of, or acts on  
20 behalf of, a manufacturer, distributor or importer, or

21           b. a governmental body or other person that is acting in  
22 accordance with federal, state, or local law or a  
23 valid court order.

24       B. A dealer management system provider may:

1           1. Condition access and ability of a dealer or authorized  
2 integrator to receive, share, copy, use, write, or transmit  
3 protected dealer data from or to a dealer data system on the  
4 dealer's or authorized integrator's compliance with security  
5 standards;

6           2. Require an authorized integrator to have express written  
7 authorization from a dealer before allowing the authorized  
8 integrator to gain access to, receive, share, copy, use, or transmit  
9 protected dealer data; and

10          3. Deny access to a dealer data system to a dealer if the  
11 dealer fails to pay an amount due to the dealer management system  
12 provider under a lease, contract, or other agreement concerning the  
13 dealer's access to or use of the dealer data system.

14          C. Except as provided in subsection B of this section, a dealer  
15 management system provider shall not take any action that would  
16 limit or prohibit the ability of a dealer or an authorized  
17 integrator to receive, protect, store, copy, share, or use protected  
18 dealer data, using means that include, but are not limited to:

19           1. Imposing an access fee on a dealer or authorized integrator;  
20 and

21           2. Restricting a dealer or an authorized integrator from  
22 sharing protected dealer data or writing data or having access to a  
23 dealer data system. Prohibited restrictions pursuant to this  
24 paragraph include, but are not limited to:

- a. limits on the scope or nature of protected dealer data to which a dealer or authorized integrator has access or may share or write to a dealer data system, and
- b. a requirement for a dealer or authorized integrator to provide sensitive or confidential business information or information that a dealer or authorized integrator uses for competitive purposes in return for access to protected dealer data or an authorization to share or write protected dealer data to a dealer data system.

D. Except as otherwise provided in this section, any term or condition of a contract with a dealer management system provider that conflicts with the requirements set forth in subsection C of this section is void and unenforceable to the extent of the conflict.

E. An authorized integrator shall:

1. Obtain express written authorization from a dealer before gaining access to, receiving, sharing, copying, using, writing, or transmitting protected dealer data;

2. Comply with security standards in gaining access to, receiving, sharing, copying, using, writing, or transmitting protected dealer data; and

3. Allow a dealer to withdraw, revoke, or amend any express written authorization the dealer provides under paragraph 1 of this subsection:

- 1           a.    at the sole discretion of the dealer, if the dealer  
2                    gives a thirty-day prior notice to an authorized  
3                    integrator, or  
4           b.    immediately, for good cause.

5           F.  1.  This section does not prevent a dealer, a dealer  
6 management system provider, or an authorized integrator from  
7 discharging the obligations of a dealer, dealer management system  
8 provider, or an authorized integrator under federal, state, or local  
9 law to secure and prevent unauthorized access to protected dealer  
10 data, or from limiting the scope of the obligations, in accordance  
11 with federal, state, or local law.

12           2.  A dealer management system provider is not liable for any  
13 action that a dealer takes directly with respect to securing or  
14 preventing unauthorized access to protected dealer data, or for  
15 actions that an authorized integrator takes in appropriately  
16 following the written instructions of the dealer for securing or  
17 preventing unauthorized access to protected dealer data, to the  
18 extent that the actions prevent the dealer management system  
19 provider from meeting a legal obligation to secure or prevent  
20 unauthorized access to protected dealer data.

21           3.  A dealer is not liable for any action that an authorized  
22 integrator takes directly with respect to securing or preventing  
23 unauthorized access to protected dealer data, or for actions that  
24 the authorized integrator takes in appropriately following the

1 written instructions of the dealer for securing or preventing  
2 unauthorized access to protected dealer data, to the extent that the  
3 actions prevent the dealer from meeting a legal obligation to secure  
4 or prevent unauthorized access to protected dealer data.

5 4. An authorized integrator is not liable for any action that a  
6 dealer takes directly with respect to securing or preventing  
7 unauthorized access to protected dealer data, or for actions that  
8 the dealer takes in appropriately following the written instructions  
9 of the authorized integrator for securing or preventing unauthorized  
10 access to protected dealer data, to the extent that the actions  
11 prevent the authorized integrator from meeting a legal obligation to  
12 secure or prevent unauthorized access to protected dealer data.

13 5. A manufacturer, distributor, importer, or any entity that is  
14 a subsidiary or affiliate of, or acts on behalf of, a manufacturer,  
15 distributor, or importer is not liable for any action that a dealer,  
16 dealer management system provider, authorized integrator, or other  
17 third party, except for a third party who the manufacturer has  
18 provided the data to as provided for in paragraph 7 of this  
19 subsection, takes directly with respect to securing or preventing  
20 unauthorized access to protected dealer data, or for actions that an  
21 authorized integrator, dealer management system provider, or other  
22 third party takes in appropriately following the written  
23 instructions of the dealer for securing or preventing unauthorized  
24 access to protected dealer data.

1           6. Notwithstanding any other agreement, an authorized  
2 integrator shall indemnify and hold the new motor vehicle dealer  
3 harmless from any third-party claims asserted against or damages  
4 incurred by the new motor vehicle dealer to the extent caused by  
5 access to, use of, or disclosure of consumer data in violation of  
6 this section.

7           7. Notwithstanding any other agreement, a manufacturer,  
8 distributor, importer, or any entity that is a subsidiary or  
9 affiliate of, or acts on behalf of, a manufacturer, distributor, or  
10 importer shall indemnify the dealer for any third-party claims  
11 asserted against or damages incurred by the dealer to the extent the  
12 claims or damages are caused by the access to and unlawful  
13 disclosure of protected dealer data resulting from a breach caused  
14 by the manufacturer or distributor or a third party to which the  
15 manufacturer or distributor has provided the protected dealer data  
16 in violation of this section, the written consent granted by the  
17 dealer, or other applicable state or federal law.

18           SECTION 2.           NEW LAW           A new section of law to be codified  
19 in the Oklahoma Statutes as Section 564.4 of Title 47, unless there  
20 is created a duplication in numbering, reads as follows:

21           Any manufacturer or distributor who has new motor vehicle sales  
22 and service agreements with new motor vehicle dealers in the state  
23 shall allow its new motor vehicle dealers to offer consumers any  
24 remote software upgrade or change to vehicle functions and features

1 to a new motor vehicle which is of a line-make the new motor vehicle  
2 dealer holds an active sales and service agreement for, as any  
3 offered to consumers in the state by the manufacturer or  
4 distributor, and such upgrade or change shall be available for an  
5 authorized new motor vehicle dealer to offer to consumers at any  
6 time during the life cycle of the vehicle, and subject to the  
7 manufacturer or distributor's requirements, provided the same  
8 continues to be made available and offered to consumers in the state  
9 by the manufacturer or distributor. This section does not apply to  
10 remote software upgrades or changes administered at no cost to the  
11 consumer, or related solely to the safety, regulatory requirements,  
12 cybersecurity, recall of a motor vehicle, state or federal statutes,  
13 regulations, or orders. Nothing in this section shall be construed  
14 to limit or impair a manufacturer or distributor's intellectual  
15 property rights nor to grant a new motor vehicle dealer authority to  
16 sell, copy, modify, or use the manufacturer or distributor's  
17 intellectual property in a manner that has not been authorized by  
18 the manufacturer or distributor. Nothing in this section shall  
19 obligate a manufacturer, distributor, or other person to support or  
20 maintain any software or change to vehicle functions and features.

21 SECTION 3. AMENDATORY 21 O.S. 2021, Section 918, is  
22 amended to read as follows:

23 Section 918. No person, firm or corporation, whether owner,  
24 proprietor, agent or employee, shall keep open, operate or assist in

1 keeping open or operating any place or premises or residences  
2 whether open or closed, for the purpose of selling, bartering, or  
3 exchanging, or offering for sale, barter, or exchange, any motor  
4 vehicle or motor vehicles, whether new, used or second hand, on the  
5 first day of the week, commonly called Sunday, except as otherwise  
6 provided in this section; and provided, however, that this act shall  
7 not apply to the opening of an establishment or place of business on  
8 the first day of the week for other purposes, such as the sale of  
9 petroleum products, tires, automobile accessories, or for the  
10 purpose of operating and conducting a motor vehicle repair shop, or  
11 for the purpose of supplying such services as towing or wrecking.  
12 Antique, classic, or special interest automobiles sold, bartered,  
13 auctioned, or exchanged by any person, firm, or corporation are  
14 exempt from the provisions of this section, as well as ~~off-premise~~  
15 off-premises sales of new motorized recreational vehicles approved  
16 by the Oklahoma New Motor Vehicle Commission pursuant to the  
17 provisions of the Recreational Vehicle Franchise Act.

18 SECTION 4. AMENDATORY 47 O.S. 2021, Section 562, is  
19 amended to read as follows:

20 Section 562. The following words, terms and phrases, when used  
21 in Sections 561 through 567, 572, 578.1, 579 and 579.1 of this  
22 title, shall have the meanings respectively ascribed to them in this  
23 section, except where the context clearly indicates a different  
24 meaning:

1 1. "Motor vehicle" means any motor-driven vehicle required to  
2 be registered under the Oklahoma Vehicle License and Registration  
3 Act. The term "motor vehicle" does not include:

4 a. recreational vehicles, as defined in the Recreational  
5 Vehicle Franchise Act, or

6 b. all-terrain vehicles, utility vehicles, and  
7 motorcycles used exclusively for off-road use which  
8 are sold by a retail implement dealer;

9 2. "New motor vehicle dealer" means any person, firm,  
10 association, corporation or trust not excluded by this paragraph who  
11 sells, offers for sale, advertises to sell, leases or displays new  
12 motor vehicles and holds a bona fide contract or franchise in effect  
13 with a manufacturer or distributor authorized by the manufacturer to  
14 make predelivery preparation of such vehicles sold to purchasers and  
15 to perform post-sale work pursuant to the manufacturer's or  
16 distributor's warranty. As used herein, "authorized predelivery  
17 preparation" means the rendition by the dealer of services and  
18 safety adjustments on each new motor vehicle in accordance with the  
19 procedure and safety standards required by the manufacturer of the  
20 vehicle to be made before its delivery to the purchaser.

21 "Performance of authorized post-sale work pursuant to the warranty",  
22 as used herein, means the rendition of services which are required  
23 by the terms of the warranty that stands extended to the vehicle at  
24 the time of its sale and are to be made in accordance with the

1 safety standards prescribed by the manufacturer. The term includes  
2 premises or facilities at which a person engages only in the repair  
3 of motor vehicles if repairs are performed pursuant to the terms of  
4 a franchise and motor vehicle manufacturer's warranty. ~~However, the~~  
5 ~~term shall not include premises or facilities at which a new motor~~  
6 ~~vehicle dealer or dealers within the area of responsibility of such~~  
7 ~~dealer or dealers as defined in the manufacturer's franchise~~  
8 ~~agreement of such dealer or dealers performs motor vehicle repairs~~  
9 ~~pursuant to the terms of a franchise and motor vehicle~~  
10 ~~manufacturer's warranty.~~ For the purpose of Sections 561 through  
11 567, 572, 578.1, 579 and 579.1 of this title, the terms "new motor  
12 vehicle dealer" and "new motor vehicle dealership" shall be  
13 synonymous. The term "new motor vehicle dealer" does not include:  
14 a. receivers, trustees, administrators, executors,  
15 guardians or other persons appointed by or acting  
16 under judgment or order of any court,  
17 b. public officers while performing or in operation of  
18 their duties, ~~or~~  
19 c. employees of persons, corporations or associations  
20 enumerated in subparagraph a of this paragraph when  
21 engaged in the specific performance of their duties as  
22 such employees, or  
23 d. a powersports vehicle dealer;  
24

1 3. "Motor vehicle salesperson" means any person who, for gain  
2 or compensation of any kind, either directly or indirectly,  
3 regularly or occasionally, by any form of agreement or arrangement,  
4 sells or negotiates for the sale, lease, or conveyance or arranges  
5 the financing of any new motor vehicle ~~for~~ as an employee of any new  
6 motor vehicle dealer to any one or more third parties;

7 4. "Commission" means the Oklahoma New Motor Vehicle  
8 Commission;

9 5. "Manufacturer" means any person, firm, association,  
10 corporation or trust, resident or nonresident, ~~who~~ that manufactures  
11 or assembles new and unused motor vehicles or ~~who~~ that engages in  
12 the fabrication or assembly of motorized vehicles of a type required  
13 to be registered in ~~the State of Oklahoma~~ this state;

14 6. "Distributor" means any person, firm, association,  
15 corporation or trust, resident or nonresident, ~~who~~ that, being  
16 authorized by the original manufacturer, in whole or in part, sells  
17 or distributes new and unused motor vehicles to new motor vehicle  
18 dealers, or ~~who~~ that maintains distributor representatives;

19 7. "Factory branch" means any branch office maintained by a  
20 person, firm, association, corporation or trust ~~who~~ that  
21 manufactures or assembles motor vehicles for the sale of motor  
22 vehicles to distributors, or for the sale of motor vehicles to new  
23 motor vehicle dealers, or for directing or supervising, in whole or  
24 in part, its representatives;

1 8. "Distributor branch" means any branch office similarly  
2 maintained by a distributor for the same purposes a factory branch  
3 is maintained;

4 9. "Factory representative" means any officer or agent engaged  
5 as a representative of a manufacturer of motor vehicles or by a  
6 factory branch, for the purpose of making or promoting the sale of  
7 its motor vehicles, or for supervising or contacting its dealers or  
8 prospective dealers;

9 10. "Distributor representative" means any person, firm,  
10 association, corporation or trust and each officer and employee  
11 thereof engaged as a representative of a distributor or distributor  
12 branch of motor vehicles, for the purpose of making or promoting the  
13 sale of its motor vehicles, or for supervising or contacting its  
14 dealers or prospective dealers;

15 11. "Franchise" means any contract or agreement between a new  
16 motor vehicle dealer and a manufacturer of a new motor vehicle or  
17 its distributor or factory branch by which the new motor vehicle  
18 dealer is authorized to engage in the ~~business of selling any~~  
19 ~~specified make or makes of new motor vehicles~~ activities of a new  
20 motor vehicle dealer as defined by this section;

21 12. "New or unused motor vehicle" means a vehicle which is in  
22 the possession of the manufacturer or distributor or has been sold  
23 only to the holder of a valid ~~selling agreement,~~ franchise ~~or~~  
24 ~~contract,~~ granted by the manufacturer or distributor for the sale of

1 that make of new vehicle so long as the manufacturer's statement of  
2 origin has not been assigned to anyone other than a licensed  
3 franchised new motor vehicle dealer of the same line-make;

4 13. "Area of responsibility" means the geographical area, as  
5 designated by the manufacturer, factory branch, factory  
6 representative, distributor, distributor branch or distributor  
7 representative, in which the new motor vehicle dealer is held  
8 responsible for the promotion and development of sales and rendering  
9 of service for the make of motor vehicle for which the new motor  
10 vehicle dealer holds a franchise or selling agreement;

11 14. "Off premises" means at a location other than the address  
12 designated on the new motor vehicle dealer's license;

13 15. "Sponsoring entity" means any person, firm, association,  
14 corporation or trust which has control, either permanently or  
15 temporarily, over the real property upon which the ~~off-premise~~ off-  
16 premises sale or display is conducted;

17 16. "Product" means new motor vehicles and new motor vehicle  
18 parts;

19 17. "Service" means motor vehicle warranty repairs including  
20 both parts and labor;

21 18. "Lead" means a consumer contact in response to a factory  
22 program designed to generate interest in purchasing or leasing a new  
23 motor vehicle;

24 19. "Sell" or "sale" means to sell or lease;

1 20. "Factory" means a manufacturer, distributor, factory  
2 branch, distributor branch, factory representative or distributor  
3 representative, which manufactures or distributes vehicle products;

4 21. "Powersports vehicle" means motorcycles, scooters, mopeds,  
5 all-terrain vehicles, and utility vehicles;

6 22. "Powersports vehicle dealer" means any person, firm, or  
7 corporation ~~who~~ that is in the business of selling any new  
8 powersports vehicles except for retail implement dealers; ~~and~~

9 23. "Retail implement dealer" means a business engaged  
10 primarily in the sale of farm tractors as defined in Section 1-118  
11 of this title or implements of husbandry as defined in Section 1-125  
12 of this title or a combination thereof;

13 24. "Consumer data" means nonpublic personal information  
14 defined in 15 U.S.C., Section 6809(4) as it existed on January 1,  
15 2023, that is:

16 a. collected by a new motor vehicle dealer, and

17 b. provided by the new motor vehicle dealer directly to a  
18 manufacturer or third party acting on behalf of a  
19 manufacturer.

20 The term shall not include the same or similar data obtained by  
21 a manufacturer from any source other than the new motor vehicle  
22 dealer or new motor vehicle dealer's data management system; and

23 25. "Fleet vehicle" means a new motor vehicle sold and titled  
24 or registered to a business and used for business purposes only.

1 SECTION 5. AMENDATORY 47 O.S. 2021, Section 563, is  
2 amended to read as follows:

3 Section 563. A. There is hereby created the Oklahoma New Motor  
4 Vehicle Commission, to be composed of nine (9) members. Seven of  
5 the members shall have been engaged in the manufacture, distribution  
6 or sale of new motor vehicles and two members shall be lay members,  
7 all to be appointed by the Governor of the State of Oklahoma, with  
8 the advice and consent of the State Senate. Such appointments shall  
9 be made within thirty (30) days after the effective date of this  
10 section. Each of the Commissioners thus appointed shall, at the  
11 time of the appointment, be a resident in good faith of the State of  
12 Oklahoma, shall be of good moral character, and each of the industry  
13 related Commissioners shall have been actually engaged in the  
14 manufacture, distribution or sale of such new motor vehicles for not  
15 less than ten (10) years next preceding such appointment. The  
16 members of the Commission shall serve at the pleasure of the  
17 Governor.

18 B. 1. The Commissioners shall elect a Chairman from amongst  
19 them whose term shall be for one (1) year with the right to succeed  
20 him or herself.

21 2. There shall be three at large members of the Commission.  
22 Six members of the Commission shall be appointed from the following  
23 geographical areas with at least one member from each area:  
24

- 1           a.   four areas of the state shall be the northwest,  
2                    northeast, southwest and southeast sections designated  
3                    by Interstate 35 dividing the state east and west and  
4                    Interstate 40 dividing the state north and south,  
5                    excluding Oklahoma County and Tulsa County, and  
6           b.   two additional areas shall be Oklahoma County and  
7                    Tulsa County.

8 There shall not be more than two members of the Commission from any  
9 one area.

10           C.   The terms of office of the members first appointed to the  
11 Commission shall be as follows:

12           1.   The members appointed from the northwest, northeast and  
13 southwest areas shall serve until June 30, 1987;

14           2.   The members appointed from the southeast area and Oklahoma  
15 County and Tulsa County shall serve until June 30, 1989; and

16           3.   The members appointed at large shall serve until June 30,  
17 1991.

18           Each member shall serve until a successor is appointed and  
19 qualifies. Thereafter, the term of office of each member of the  
20 Commission shall be for six (6) years. The term of office of any  
21 member will automatically expire if the member moves out of the  
22 geographical area from which the member was appointed. In event of  
23 death, resignation, removal, or term automatically expiring, of any  
24 person serving on the Commission, the vacancy shall be filled by

1 appointment as provided for the unexpired portion of the term. The  
2 Commission shall meet at Oklahoma City and complete its organization  
3 immediately after the membership thereof has been appointed and has  
4 qualified. The Chairman and each member of the Commission shall  
5 take and subscribe to the oath of office required of public  
6 officers.

7 D. The members of the Commission shall receive reimbursement  
8 for subsistence and traveling expenses necessarily incurred in the  
9 performance of their duties as provided by the State Travel  
10 Reimbursement Act.

11 E. The Commission shall appoint a qualified person to serve as  
12 Executive Director thereof, which person shall have had not less  
13 than ten (10) years of experience in the motor vehicle industry.  
14 The Executive Director shall be appointed for a term of six (6)  
15 years, and shall not be subject to dismissal or removal without  
16 cause. The Commission shall fix the salary and prescribe the duties  
17 of the Executive Director. The Executive Director shall devote such  
18 time as necessary to fulfill the duties thereof, and before entering  
19 upon such duties shall take and subscribe to the oath of office.  
20 The Executive Director may employ such clerical, technical and other  
21 help and legal services and incur such expenses as may be necessary  
22 for the proper discharge of the duties of the Executive Director  
23 under this act. The Commission shall maintain its office and  
24 transact its business in Oklahoma City, and it is authorized to

1 adopt and use a seal. The Executive Director is hereby authorized  
2 to hire, retain or otherwise acquire the services of an attorney to  
3 represent the Commission in any and all state and federal courts,  
4 and assist the Commission in any and all business or legal matters  
5 that may come before it. The attorney so representing the  
6 Commission shall discharge the duties under the direction of the  
7 Executive Director.

8 F. The Commission is hereby vested with the powers necessary to  
9 enable it to fully and effectively carry out the provisions and  
10 objects of this act, and is hereby authorized and empowered to make  
11 and enforce all reasonable rules and to adopt and prescribe all  
12 forms necessary to accomplish such purpose. All forms used by a new  
13 motor vehicle dealer to facilitate the delivery of a vehicle pending  
14 approval of financing shall be approved by the Commission. Spot  
15 delivery agreement forms shall be required for all new motor vehicle  
16 deliveries, subject to dealers finding lending institutions to  
17 purchase the retail installment contracts executed by the purchasing  
18 and selling parties.

19 G. All fees, charges and fines collected under the provisions  
20 of this act shall be deposited by the Executive Director in the  
21 State Treasury in accordance with the depository laws of this state  
22 in a special fund to be known as the "Oklahoma New Motor Vehicle  
23 Commission Fund", which is hereby created, and except as hereinafter  
24 provided the monies in the fund shall be used by the Commission for

1 the purpose of carrying out and enforcing the provisions of this  
2 act. Expenditures from the fund shall be made upon vouchers  
3 approved by the Commission or its authorized officers.

4 At the close of each fiscal year, the Commission shall file with  
5 the Governor and the State Auditor and Inspector a true and correct  
6 report of all fees, fines and charges collected and received by it  
7 during the preceding fiscal year and shall at the same time pay into  
8 the General Revenue Fund of the state a sum equal to ten percent  
9 (10%) of the fees, fines and charges so collected and received.

10 All expenses incurred by the Commission in carrying out the  
11 provisions of this act, including but not limited to per diem,  
12 wages, salaries, rent, postage, advertising, supplies, bond  
13 premiums, travel and subsistence for the Commissioners, the  
14 Executive Director, employees, and legal counsel, and printing and  
15 utilities, shall be a proper charge against such fund, exclusive of  
16 the portion thereof to be paid into the General Revenue Fund as  
17 above set out. In no event shall liability ever accrue hereunder  
18 against this state in any sum whatsoever, or against the Oklahoma  
19 New Motor Vehicle Commission Fund, in excess of the ninety percent  
20 (90%) of the fees, fines and charges deposited therein.

21 SECTION 6. AMENDATORY 47 O.S. 2021, Section 564, is  
22 amended to read as follows:

23 Section 564. A. It shall be unlawful for any person, firm,  
24 association, corporation or trust to engage in business as, or serve

1 in the capacity of, or act as a new motor vehicle dealer ~~or~~,  
2 powersports vehicle dealer, manufacturer or distributor of new motor  
3 vehicles or powersports vehicles, or factory branch, distributor  
4 branch or factory representative or distributor representative, as  
5 ~~such~~ defined in Section 562 of this title, in this state without  
6 first obtaining a license therefor as provided for by law. Any  
7 person, firm, association, corporation or trust engaging in more  
8 than one of such capacities or having more than one place where such  
9 business is carried on or conducted shall be required to obtain and  
10 hold a current license for each thereof. Provided that, a new motor  
11 vehicle dealer's license shall authorize one person to sell in the  
12 event such person shall be the owner of a proprietorship, or the  
13 person designated as principal in the dealer's franchise or the  
14 managing officer or one partner if no principal person is named in  
15 the franchise. It is further provided that a factory or an entity  
16 affiliated by any ownership or control by the factory shall not be  
17 permitted to be licensed as a new motor vehicle dealer in this  
18 state, except as provided by subparagraph b of paragraph 12 of  
19 Section 565 of this title.

20 B. Applications for licenses required to be obtained under  
21 provisions of Section 561 et seq. of this title shall be verified by  
22 the oath or affirmation of the applicant and shall be on forms  
23 prescribed by the Oklahoma New Motor Vehicle Commission and  
24 furnished to ~~such~~ the applicants, and shall contain ~~such~~ information

1 as the Commission deems necessary to enable it to fully determine  
2 the qualifications and eligibility of the several applicants to  
3 receive the license or licenses applied for. The Commission shall  
4 require in such application, or otherwise, information relating to  
5 the applicant's financial standing, the applicant's business  
6 integrity, whether the applicant has an established place of  
7 business and is primarily engaged in the pursuit, avocation or  
8 business for which a license, or licenses, are applied for, and  
9 whether the applicant is able to properly conduct the business for  
10 which a license, or licenses, are applied for, and such other  
11 pertinent information consistent with the safeguarding of the public  
12 interest and the public welfare. All ~~such~~ applications for license  
13 or licenses shall be accompanied by the appropriate fee or fees  
14 therefor in accordance with the schedule thereof hereinafter set  
15 out. In the event any such application is denied and the license  
16 applied for is not issued, the entire license fee shall be returned  
17 to the applicant. All licenses issued under the provisions of  
18 Section 561 et seq. of this title shall expire on June 30, following  
19 the date of issue and shall be nontransferable. All applications  
20 for renewal of a license for a new motor vehicle dealer,  
21 manufacturer, distributor or manufacturer's or distributor's  
22 representative shall be submitted by June 1 of each year, and such  
23 license or licenses will be issued by July 1. If applications have  
24 not been made for renewal of licenses at the times described in this

1 subsection, it shall be illegal for any person to represent himself  
2 or herself and act as a dealer, manufacturer, distributor or  
3 manufacturer's or distributor's representative. Motor license  
4 agents will be notified not to accept such dealers' titles until  
5 such time as licenses have been issued by the Commission.

6 C. The schedule of license fees to be charged and received by  
7 the Commission for the licenses issued hereunder shall be as  
8 follows:

9 1. For each factory branch or distributor branch, Four Hundred  
10 Dollars (\$400.00) initial fee with annual renewal fee of Three  
11 Hundred Dollars (\$300.00);

12 2. For each manufacturer or distributor of new motor vehicles,  
13 Four Hundred Dollars (\$400.00) initial fee with annual renewal fee  
14 of Three Hundred Dollars (\$300.00);

15 3. For each factory representative or distributor  
16 representative, One Hundred Dollars (\$100.00) annually;

17 4. For each new motor vehicle dealer, except powersports  
18 vehicle dealers, initial fee of Three Hundred Dollars (\$300.00) per  
19 franchise sold at each location licensed, with an annual renewal fee  
20 of One Hundred Dollars (\$100.00) per franchise sold at each location  
21 per year; and

22 5. For each powersports vehicle dealer, initial fee of Three  
23 Hundred Dollars (\$300.00) per manufacturer represented by the dealer  
24 at each location licensed, with an annual renewal fee of One Hundred

1 Dollars (\$100.00) per manufacturer represented by the dealer at each  
2 location licensed per year.

3 D. The licenses issued to each new motor vehicle dealer,  
4 manufacturer, distributor, factory branch, distributor branch or  
5 representative, if a corporation, shall specify the location of the  
6 factory, office or branch thereof. In case such location is  
7 changed, the Commission may endorse the change of location on the  
8 license without charge unless the change of address triggers a  
9 relocation of a new motor vehicle dealer pursuant to the provisions  
10 of Section 578.1 of this title. The license of each new motor  
11 vehicle dealer shall be posted in a conspicuous place in the new  
12 motor vehicle dealer's place or places of business.

13 Every motor vehicle factory representative or distributor  
14 representative if an individual shall physically possess the license  
15 when engaged in business, and shall display ~~same~~ such upon request.  
16 The name of the employer of such factory representative or  
17 distributor representative shall be stated on the license and, in  
18 case of a change of employer, the holder of such license shall  
19 immediately mail ~~same~~ such to the Commission for its endorsement of  
20 such change ~~thereon~~. The Commission shall endorse each such change  
21 of employer on licenses for a fee of Ten Dollars (\$10.00).

22 E. The powersports dealer license shall only allow the sale of  
23 the specific types of powersports vehicles authorized by the  
24 manufacturer and agreed to by the powersports dealer.

1 SECTION 7. AMENDATORY 47 O.S. 2021, Section 564.1, is  
2 amended to read as follows:

3 Section 564.1 ~~Licensing of off-premises displays of new motor~~  
4 ~~vehicles and off-premise sales of new motorized recreational~~  
5 ~~vehicles.~~

6 A. The Oklahoma New Motor Vehicle Commission shall provide for  
7 off-premise displays of new motor vehicles by currently licensed new  
8 motor vehicle dealers. An off-premise event may be held for display  
9 purposes only under the following conditions:

10 1. The motor vehicles are for display purposes only and not for  
11 sale at the off-premise display event;

12 2. No selling activities shall be conducted;

13 3. The display is in dealer's factory-approved area of sales  
14 and service responsibility;

15 4. The dealer must obtain written approval from the  
16 manufacturer or distributor; and

17 5. The dealer is required to obtain approval for the display  
18 location from the sponsoring entity.

19 B. The ~~Oklahoma Motor Vehicle~~ Commission is authorized to  
20 provide a variance to the distance requirements and the area of  
21 sales and service responsibility requirements specified in this  
22 section, for any off-premise display event if:

23

24



1 Section 565. A. The Oklahoma New Motor Vehicle Commission may  
2 deny an application for a license, ~~or~~ revoke or suspend a license,  
3 or impose a fine against any person or entity, not to exceed Ten  
4 Thousand Dollars (\$10,000.00) ~~against a manufacturer or distributor~~  
5 ~~or a fine not to exceed One Thousand Dollars (\$1,000.00) against a~~  
6 ~~dealer~~ per occurrence, that violates any provision of Sections 561  
7 through 567, 572, 578.1, 579 and 579.1 of this title ~~is violated~~ or  
8 for any of the following reasons:

9 1. On satisfactory proof of unfitness of the applicant in any  
10 application for any license under the provisions of Section 561 et  
11 seq. of this title;

12 2. For any material misstatement made by an applicant in any  
13 application for any license under the provisions of Section 561 et  
14 seq. of this title;

15 3. For any failure to comply with any provision of Section 561  
16 et seq. of this title or any rule promulgated by the Commission  
17 under authority vested in it by Section 561 et seq. of this title;

18 4. A change of condition after license is granted resulting in  
19 failure to maintain the qualifications for license;

20 5. Being a new motor vehicle dealer who:

21 a. has required a purchaser of a new motor vehicle, as a  
22 condition of sale and delivery thereof, to also  
23 purchase special features, appliances, accessories or  
24

- 1 equipment not desired or requested by the purchaser  
2 and installed by the new motor vehicle dealer,
- 3 b. uses any false or misleading advertising in connection  
4 with business as a new motor vehicle dealer,
- 5 c. has committed any unlawful act which resulted in the  
6 revocation of any similar license in another state,
- 7 d. has failed or refused to perform any written agreement  
8 with any retail buyer involving the sale of a motor  
9 vehicle,
- 10 e. has been convicted of a felony crime that  
11 substantially relates to the occupation of a new motor  
12 vehicle dealer and poses a reasonable threat to public  
13 safety,
- 14 f. has committed a fraudulent act in selling, purchasing  
15 or otherwise dealing in new motor vehicles or has  
16 misrepresented the terms and conditions of a sale,  
17 purchase or contract for sale or purchase of a new  
18 motor vehicle or any interest therein including an  
19 option to purchase such vehicle,
- 20 g. has failed to meet or maintain the conditions and  
21 requirements necessary to qualify for the issuance of  
22 a license, or
- 23 h. completes any sale or transaction of an extended  
24 service contract, extended maintenance plan, or

1 similar product using contract forms that do not  
2 conspicuously disclose the identity of the service  
3 contract provider;

4 6. Being a new motor vehicle salesperson who is not employed as  
5 such by a licensed new motor vehicle dealer;

6 7. Being a new motor vehicle dealer who:

7 a. does not have an established place of business,

8 b. does not provide for a suitable repair shop separate  
9 from the display room with ample space to repair or  
10 recondition one or more vehicles at the same time, and  
11 which is staffed with properly trained and qualified  
12 repair technicians and is equipped with such parts,  
13 tools and equipment as may be requisite for the  
14 servicing of motor vehicles in such a manner as to  
15 make them comply with the safety laws of this state  
16 and to properly fulfill the dealer's or manufacturer's  
17 warranty obligation,

18 c. does not hold a franchise in effect with a  
19 manufacturer or distributor of new or unused motor  
20 vehicles for the sale of the same and is not  
21 authorized by the manufacturer or distributor to  
22 render predelivery preparation of such vehicles sold  
23 to purchasers and to perform any authorized post-sale  
24

1 work pursuant to the manufacturer's or distributor's  
2 warranty,

3 d. employs a person without obtaining a certificate of  
4 registration for the person, or utilizes the services  
5 of used motor vehicle lots or dealers or other  
6 unlicensed persons in connection with the sale of new  
7 motor vehicles,

8 e. does not properly service a new motor vehicle before  
9 delivery of same to the original purchaser thereof, or

10 f. fails to order and stock a reasonable number of new  
11 motor vehicles necessary to meet ~~customer~~ consumer  
12 demand for each of the new motor vehicles included in  
13 the new motor vehicle dealer's franchise agreement,  
14 unless the new motor vehicles are not readily  
15 available from the manufacturer or distributor due to  
16 limited production;

17 8. Being a factory that has:

18 a. either induced or attempted to induce by means of  
19 coercion or intimidation, any new motor vehicle  
20 dealer:

21 (1) to accept delivery of any motor vehicle or  
22 vehicles, parts or accessories therefor, or any  
23 other commodities including advertising material  
24

1                   which shall not have been ordered by the new  
2                   motor vehicle dealer,

3                   (2) to order or accept delivery of any motor vehicle  
4                   with special features, appliances, accessories or  
5                   equipment not included in the list price of the  
6                   motor vehicles as publicly advertised by the  
7                   manufacturer thereof, or

8                   (3) to order or accept delivery of any parts,  
9                   accessories, equipment, machinery, tools,  
10                  appliances or any commodity whatsoever, or

11                  b. induced under threat or discrimination by the  
12                  withholding from delivery to a new motor vehicle  
13                  dealer certain models of motor vehicles, changing or  
14                  amending unilaterally the new motor vehicle dealer's  
15                  allotment of motor vehicles and/or withholding and  
16                  delaying delivery of ~~such~~ the vehicles out of the  
17                  ordinary course of business, in order to induce by  
18                  such coercion any ~~such~~ new motor vehicle dealer to  
19                  participate or contribute to any local or national  
20                  advertising fund controlled directly or indirectly by  
21                  the factory or for any other purposes such as contest,  
22                  "~~give-aways~~" "giveaways" or other so-called sales  
23                  promotional devices and/or change of quotas in any  
24                  sales contest; or has required new motor vehicle

1 dealers, as a condition to receiving their vehicle  
2 allotment, to order a certain percentage of the  
3 vehicles with optional equipment not specified by the  
4 new motor vehicle dealer; however, nothing in this  
5 section shall prohibit a factory from supporting an  
6 advertising association which is open to all new motor  
7 vehicle dealers on the same basis~~+~~,

8 c. used a performance standard, sales objective or  
9 program for measuring dealer performance that may have  
10 a material effect on a right of the dealer to vehicle  
11 allocation; or payment under any incentive or  
12 reimbursement program that is unfair, unreasonable,  
13 inequitable, and not based on accurate information,

14 d. used a performance standard for measuring sales or  
15 service performance of any new motor vehicle dealer  
16 under the terms of the franchise agreement which:

17 (1) is unfair, unreasonable, arbitrary or  
18 inequitable, and

19 (2) does not consider the relevant and material local  
20 and state or regional criteria, including  
21 prevailing economic conditions affecting the  
22 sales or service performance of a vehicle dealer  
23 or any relevant and material data and facts  
24 presented by the dealer in writing within thirty

1                   (30) days of the written notice of the  
2                   manufacturer to the dealer of its intention to  
3                   cancel, terminate, or not renew the dealer's  
4                   franchise agreement,

5    e. failed or refused to sell, or offer for sale, new  
6                   motor vehicles to all of its authorized same line-make  
7                   franchised new motor vehicle dealers at the same price  
8                   for a comparably equipped motor vehicle, on the same  
9                   terms, with no differential in functionally available  
10                  discount, allowance, credit or bonus, except as  
11                  provided in subparagraph e of paragraph 9 of this  
12                  subsection,

13    f. failed to provide reasonable compensation to a new  
14                  motor vehicle dealer substantially equivalent to the  
15                  actual cost of providing a manufacturer-required  
16                  loaner or rental vehicle to any consumer who is having  
17                  a vehicle serviced at the dealership. For purposes of  
18                  this paragraph, actual cost is the average cost in the  
19                  new motor vehicle dealer's region for the rental of a  
20                  substantially similar make and model as the vehicle  
21                  being serviced, or

22    g. failed to make available to its new motor vehicle  
23                  dealers a fair and proportional share of all new  
24                  vehicles distributed to same line-make dealers in this

1 state, subject to the same reasonable terms, including  
2 any vehicles distributed from a common new vehicle  
3 inventory pool outside of the factory's ordinary  
4 allocation process such as any vehicles the factory  
5 reserves to distribute on a discretionary basis;

6 9. Being a factory that:

- 7 a. has attempted to coerce or has coerced any new motor  
8 vehicle dealer to enter into any agreement or to  
9 cancel any agreement, ~~or fails;~~ has failed to act in  
10 good faith and in a fair, equitable and  
11 nondiscriminatory manner; ~~or~~ has directly or  
12 indirectly coerced, intimidated, threatened or  
13 restrained any new motor vehicle dealer; or has acted  
14 dishonestly, or has failed to act in accordance with  
15 the reasonable standards of fair dealing,
- 16 b. has failed to compensate its dealers for the work and  
17 services they are required to perform in connection  
18 with the dealer's delivery and preparation obligations  
19 according to the agreements on file with the  
20 Commission which must be found by the Commission to be  
21 reasonable, or ~~fail~~ has failed to adequately and  
22 fairly compensate its dealers for labor, parts and  
23 other expenses incurred by ~~such~~ the dealer to perform  
24 under and comply with manufacturer's warranty

1           agreements and recall repairs which shall include  
2           diagnostic work as applicable and assistance requested  
3           by a consumer whose vehicle was subjected to an over-  
4           the-air or remote change, repair, or update to any  
5           part, system, accessory, or function by the  
6           manufacturer and performed by the dealer in order to  
7           satisfy the consumer. Time allowances for the  
8           diagnosis and performance of repair work shall be  
9           reasonable and adequate for the work to be performed.  
10          Adequate and fair compensation, which under this  
11          provision shall be no less than the rates customarily  
12          charged for retail consumer repairs as calculated  
13          herein, for parts and/or labor for warranty and recall  
14          repairs shall, at the option of the new motor vehicle  
15          dealer, be established by the new motor vehicle dealer  
16          submitting to the manufacturer or distributor one  
17          hundred sequential nonwarranty ~~customer-paid~~ consumer-  
18          paid service repair orders which contain warranty-like  
19          ~~parts~~ repairs, or ninety (90) consecutive days of  
20          nonwarranty ~~customer-paid~~ consumer-paid service repair  
21          orders which contain warranty-like ~~parts~~ repairs,  
22          whichever is less, covering repairs made no more than  
23          one hundred eighty (180) days before the submission  
24          and declaring the average percentage labor rate and/or

1            markup rate. ~~Adequate and fair compensation for labor~~  
2            ~~shall be established by the dealer submitting to the~~  
3            ~~manufacturer or distributor one hundred sequential~~  
4            ~~customer paid service repair orders which contain~~  
5            ~~labor charges, or ninety (90) consecutive days of~~  
6            ~~customer paid service repair orders which contain~~  
7            ~~labor charges, whichever is less.~~ A new motor vehicle  
8            dealer may not submit a request to establish its  
9            retail rates more than once in a twelve-month period.  
10           That request may establish a parts mark-up rate, labor  
11           rate, or both. The new motor vehicle dealer shall  
12           calculate its retail parts rate by determining the  
13           total charges for parts from the qualified repair  
14           orders submitted, dividing that amount by the new  
15           motor vehicle dealer's total cost of the purchase of  
16           those parts, subtracting one (1), and multiplying by  
17           one hundred (100) to produce a percentage. The new  
18           motor vehicle dealer shall calculate its retail labor  
19           rate by dividing the amount of the new motor vehicle  
20           dealer's total labor sales from the qualified repair  
21           orders by the total labor hours charged for those  
22           sales. ~~When submitting repair orders to calculate~~  
23           establish a retail parts and labor rate, a new motor  
24

1 vehicle dealer need not include ~~repair orders~~ repairs  
2 for:

3 (1) routine maintenance including, but not limited  
4 to, the replacement of bulbs, fluids, filters,  
5 batteries, and belts that are not provided in the  
6 course of and related to a repair,

7 (2) factory special events, specials, or promotional  
8 discounts for retail consumer repairs,

9 (3) parts sold or repairs performed at wholesale,

10 (4) factory-approved goodwill or policy repairs or  
11 replacements,

12 (5) repairs with aftermarket parts, when calculating  
13 the retail parts rate but not the retail labor  
14 rate,

15 (6) repairs on aftermarket parts,

16 (7) replacement of or work on tires including front-  
17 end alignments and wheel or tire rotations,

18 (8) repairs of motor vehicles owned by the new motor  
19 vehicle dealer or employee thereof at the time of  
20 the repair,

21 (9) vehicle reconditioning, or

22 (10) items that do not have individual part numbers  
23 including, but not limited to, nuts, bolts and  
24 fasteners.

1 A manufacturer or distributor may, not later than ~~thirty~~  
2 ~~(30)~~ forty-five (45) days after submission, rebut that  
3 declared retail parts and labor rate in writing by  
4 reasonably substantiating that the rate is ~~inaccurate or~~  
5 ~~unreasonable in light of the practices of all other~~  
6 ~~franchised motor vehicle dealers in an economically similar~~  
7 ~~part of the state offering the same line-make vehicles~~ not  
8 accurate or is incomplete pursuant to the provisions of  
9 this section. If the manufacturer or distributor  
10 determines the set of repair orders submitted by the new  
11 motor vehicle dealer pursuant to this section for a retail  
12 labor rate or retail parts markup rate is substantially  
13 higher than the new motor vehicle dealer's current warranty  
14 rates, the manufacturer or distributor may request, in  
15 writing, within forty-five (45) days after the  
16 manufacturer's or distributor's receipt of the new motor  
17 vehicle dealer's initial submission, all repair orders  
18 closed within the period of thirty (30) days immediately  
19 preceding, or thirty (30) days immediately following, the  
20 set of repair orders initially submitted by the new motor  
21 vehicle dealer. All time periods under this section shall  
22 be suspended until the supplemental repair orders are  
23 provided. If the manufacturer or distributor requests  
24 supplemental repair orders, the manufacturer or distributor

1 may, within thirty (30) days after receiving the  
2 supplemental repair orders and in accordance with the  
3 formula described in this subsection, calculate a proposed  
4 adjusted retail labor rate or retail parts markup rate, as  
5 applicable, based upon any set of the qualified repair  
6 orders submitted by the franchisee and following the  
7 formula set forth herein to establish the rate. The retail  
8 rate labor and parts rates shall go into effect thirty (30)  
9 days following the approval by the manufacturer, ~~subject to~~  
10 ~~audit of the submitted repair orders by the franchisor and~~  
11 ~~a rebuttal of the declared rate as described above~~ or  
12 distributor. If the declared rate is rebutted, the  
13 manufacturer or distributor shall provide written notice  
14 stating the reasons for the rebuttal, an explanation of the  
15 reasons for the rebuttal, and a copy of all calculations  
16 used by the franchisor in determining the manufacturer or  
17 distributor's position and propose an adjustment in writing  
18 of the average percentage markup or labor rate based on  
19 that rebuttal not later than thirty (30) days after  
20 submission. If the new motor vehicle dealer does not agree  
21 with the proposed average percentage markup or labor rate,  
22 the new motor vehicle dealer may file a protest with the  
23 Commission not later than thirty (30) days after receipt of  
24 that proposal by the manufacturer or distributor. In the

1 event a protest is filed, the manufacturer or distributor  
2 shall have the burden of proof to establish the new motor  
3 vehicle dealer's submitted parts markup rate or labor rate  
4 was inaccurate or ~~unreasonable in light of the practices of~~  
5 ~~all other franchised motor vehicle dealers in an~~  
6 ~~economically similar part of the state~~ not complete  
7 pursuant to the provisions of this section. A manufacturer  
8 or distributor may not retaliate against any new motor  
9 vehicle dealer seeking to exercise its rights under this  
10 ~~provision~~ section. A manufacturer or distributor may  
11 require a dealer to submit repair orders in accordance with  
12 this section in order to validate the reasonableness of a  
13 dealer's retail rate for parts or labor not more often than  
14 once every twelve (12) months. A manufacturer or  
15 distributor may not otherwise recover its costs from new  
16 motor vehicle dealers within this state including a  
17 surcharge imposed on a new motor vehicle dealer solely  
18 intended to recover the cost of reimbursing a new motor  
19 vehicle dealer for parts and labor pursuant to this  
20 section; provided, a manufacturer or distributor shall not  
21 be prohibited from increasing prices for vehicles or parts  
22 in the normal course of business or from auditing and  
23 charging back claims in accordance with this section. All  
24 claims made by dealers for compensation for delivery,

1 preparation ~~and~~, warranty, or recall repair work shall be  
2 paid within thirty (30) days after approval and shall be  
3 approved or disapproved within thirty (30) days after  
4 receipt. When any claim is disapproved, the dealer shall  
5 be notified in writing of the grounds for disapproval. The  
6 dealer's delivery, preparation and warranty obligations as  
7 filed with the Commission shall constitute the dealer's  
8 sole responsibility for product liability as between the  
9 dealer and manufacturer. A factory may reasonably and  
10 periodically audit a new motor vehicle dealer to determine  
11 the validity of paid claims for new motor vehicle dealer  
12 compensation or any charge-backs for warranty parts or  
13 service compensation. Except in cases of suspected fraud,  
14 audits of warranty payments shall only be for the one-year  
15 period immediately following the date of the payment. A  
16 manufacturer shall reserve the right to reasonable,  
17 periodic audits to determine the validity of paid claims  
18 for dealer compensation or any charge-backs for consumer or  
19 dealer incentives. Except in cases of suspected fraud,  
20 audits of incentive payments shall only be for a one-year  
21 period immediately following the date of the payment. A  
22 factory shall not deny a claim or charge a new motor  
23 vehicle dealer back subsequent to the payment of the claim  
24 unless the factory can show that the claim was false or

1 fraudulent or that the new motor vehicle dealer failed to  
2 reasonably substantiate the claim by the written reasonable  
3 procedures of the factory. A factory shall not deny a  
4 claim or implement a charge-back against a new motor  
5 vehicle dealer after payment of a claim in the event a  
6 purchaser of a new vehicle that is the subject of a claim  
7 fails to comply with titling or registration laws of this  
8 state and is not prevented from compliance by any action of  
9 the new motor vehicle dealer; provided, that the factory  
10 may require the new motor vehicle dealer to provide, within  
11 thirty (30) days of notice of chargeback, withholding of  
12 payment, or denial of claim, the documentation to  
13 demonstrate the vehicle sale, delivery and customer  
14 qualification for an incentive as reported, including  
15 consumer name and address, and written attestation signed  
16 by the dealer operator or general manager stating the  
17 consumer was not on the export control list and the dealer  
18 did not know or have reason to know the vehicle was being  
19 exported or resold.

20 The factory shall provide written notice to a dealer of a  
21 proposed charge-back that is the result of an audit along  
22 with the specific audit results and proposed charge-back  
23 amount. A dealer that receives notice of a proposed  
24 charge-back pursuant to a factory's audit has the right to

1 file a protest with the Commission within thirty (30) days  
2 after receipt of the notice of the charge-back or audit  
3 results, whichever is later. The factory is prohibited  
4 from implementing the charge-back or debiting the dealer's  
5 account until either the time frame for filing a protest  
6 has passed or a final adjudication is rendered by the  
7 Commission, whichever is later, unless the dealer has  
8 agreed to the charge-back or charge-backs,

9 c. fails to compensate the new motor vehicle dealer for a  
10 used motor vehicle:

11 (1) that is of the same make and model manufactured,  
12 imported or distributed by the factory and is a  
13 line-make that the new motor vehicle dealer is  
14 franchised to sell or on which the new motor  
15 vehicle dealer is authorized to perform recall  
16 repairs,

17 (2) that is subject to a stop-sale or do-not-drive  
18 order issued by the factory or an authorized  
19 governmental agency,

20 (3) that is held by the new motor vehicle dealer in  
21 the dealer's inventory at the time the stop-sale  
22 or do-not-drive order is issued or that is taken  
23 by the new motor vehicle dealer into the dealer's  
24 inventory after the recall notice as a result of

1 a retail consumer trade-in or a lease return to  
2 the dealer inventory in accordance with an  
3 applicable lease contract,

4 (4) that cannot be repaired due to the  
5 unavailability, within thirty (30) days after  
6 issuance of the stop-sale or do-not-drive order,  
7 of a remedy or parts necessary for the new motor  
8 vehicle dealer to make the recall repair, and

9 (5) that is not at least in the prorated amount of  
10 one percent (1.00%) of the value of the vehicle  
11 per month beginning on the date that is thirty  
12 (30) days after the date on which the stop-sale  
13 order was provided to the new motor vehicle  
14 dealer until the earlier of either of the  
15 following:

16 (a) the date the recall remedy or parts are made  
17 available, or

18 (b) the date the new motor vehicle dealer sells,  
19 trades, or otherwise disposes of the  
20 affected used motor vehicle.

21 For the purposes of division (5) of this subparagraph, the value  
22 of a used vehicle shall be the average Black Book value for the  
23 year, make, and model of the recalled vehicle.

1 A factory may direct the manner and method in which a new motor  
2 vehicle dealer must demonstrate the inventory status of an affected  
3 used motor vehicle to determine eligibility under this subparagraph;  
4 provided, that the manner and method may not be unduly burdensome  
5 and may not require information that is unduly burdensome to  
6 provide.

7 All reimbursement claims made by new motor vehicle dealers  
8 pursuant to this section for recall remedies or repairs, or for  
9 compensation where no part or repair is reasonably available and the  
10 vehicle is subject to a stop-sale or do-not-drive order, shall be  
11 subject to the same limitations and requirements as a warranty  
12 reimbursement claim made under subparagraph b of this paragraph. In  
13 the alternative, a manufacturer may compensate its franchised new  
14 motor vehicle dealers under a national recall compensation program;  
15 provided, the compensation under the program is equal to or greater  
16 than that provided under division (5) of this subparagraph, or as  
17 the manufacturer and new motor vehicle dealer otherwise agree.

18 Nothing in this section shall require a factory to provide total  
19 compensation to a new motor vehicle dealer which would exceed the  
20 total average Black Book value of the affected used motor vehicle as  
21 originally determined under division (5) of this subparagraph.

22 Any remedy provided to a new motor vehicle dealer under this  
23 subparagraph is exclusive and may not be combined with any other  
24 state or federal compensation remedy.

1           d.   unreasonably fails or refuses to offer to its same  
2           line-make franchised dealers a reasonable supply and  
3           mix of all models manufactured for that line-make, or  
4           unreasonably requires a dealer to pay any extra fee,  
5           purchase unreasonable advertising displays or other  
6           materials, or enter into a separate agreement which  
7           adversely alters the rights or obligations contained  
8           within the new motor vehicle dealer's existing  
9           franchise agreement or which waives any right of the  
10          new motor vehicle dealer as protected by Section 561  
11          et seq. of this title, or remodel, renovate, or  
12          recondition the new motor vehicle dealer's existing  
13          facilities as a prerequisite to receiving a model or  
14          series of vehicles, except as may be necessary to sell  
15          or service the model or series of vehicles as provided  
16          by subparagraph e of this paragraph. It shall be a  
17          violation of this section for new vehicle allocation  
18          to be withheld subject to any requirement to purchase  
19          or sell any number of used or off-lease vehicles. The  
20          failure to deliver any such new motor vehicle shall  
21          not be considered a violation of the section if the  
22          failure is not arbitrary or is due to lack of  
23          manufacturing capacity or to a strike or labor  
24          difficulty, a shortage of materials, a freight embargo

1 or other cause over which the manufacturer has no  
2 control. However, this subparagraph shall not apply  
3 to recreational vehicles, ~~or~~ limited production model  
4 vehicles, a vehicle not advertised by the factory for  
5 sale in this state, vehicles that are subject to  
6 allocation affected by federal or state environmental  
7 laws, or to vehicles allocated in response to an  
8 unforeseen event or circumstance,

9 ~~d.~~

10 e. except as necessary to comply with a health or safety  
11 law, or to comply with a technology requirement which  
12 is necessary to sell or service a motor vehicle that  
13 the franchised new motor vehicle dealer is authorized  
14 or licensed by the franchisor to sell or service,  
15 requires a new motor vehicle dealer to construct a new  
16 facility or substantially renovate the new motor  
17 vehicle dealer's existing facility unless the facility  
18 construction or renovation is justified by the  
19 economic conditions existing at the time, as well as  
20 the reasonably foreseeable projections, in the new  
21 motor vehicle dealer's market and in the automotive  
22 industry. However, this subparagraph shall not apply  
23 if the ~~factory provides~~ new motor vehicle dealer  
24 voluntarily agrees to facility construction or

1 renovation in exchange for money, credit, allowance,  
2 reimbursement, or additional vehicle allocation to a  
3 new motor vehicle dealer from the factory to  
4 compensate the new motor vehicle dealer for the cost  
5 of, or a portion of the cost of, the facility  
6 construction or renovation. Except as necessary to  
7 comply with a health or safety law, or to comply with  
8 a technology or safety requirement which is necessary  
9 to sell or service a motor vehicle that the franchised  
10 new motor vehicle dealer is authorized or licensed by  
11 the franchisor to sell or service, a new motor vehicle  
12 dealer which completes a facility construction or  
13 renovation pursuant to factory requirements shall not  
14 be required to construct a new facility or renovate  
15 the existing facility if the same area of the facility  
16 or premises has been constructed or substantially  
17 altered within the last ten (10) years and the  
18 construction or alteration was approved by the  
19 manufacturer as a part of a facility upgrade program,  
20 standard, or policy. For purposes of this  
21 subparagraph, "substantially altered" means to perform  
22 an alteration that substantially impacts the  
23 architectural features, characteristics, or integrity  
24 of a structure or lot. The term shall not include

1 routine maintenance reasonably necessary to maintain a  
2 dealership in attractive condition. If a facility  
3 upgrade program, standard, or policy under which the  
4 dealer completed a facility construction or  
5 substantial alteration does not contain a specific  
6 time period during which the manufacturer or  
7 distributor shall provide payments or benefits to a  
8 participating dealer, or the time frame specified  
9 under the program is reduced or canceled prematurely  
10 in the unilateral discretion of the manufacturer or  
11 distributor, the manufacturer or distributor shall not  
12 deny the participating dealer any payment or benefit  
13 under the terms of the program, standard, or policy as  
14 it existed when the dealer began to perform under the  
15 program, standard, or policy for the balance of the  
16 ten-year period, regardless of whether the  
17 manufacturer's or distributor's program, standard, or  
18 policy has been changed or canceled, unless the  
19 manufacturer and dealer agree, in writing, to the  
20 change in payment or benefit,

21 e.

22 f. requires a new motor vehicle dealer to establish an  
23 exclusive facility, unless supported by reasonable  
24 business, market and economic considerations;

1 provided, that this ~~provision~~ section shall not  
2 restrict the terms of any agreement for such exclusive  
3 facility voluntarily entered into and supported by  
4 valuable consideration separate from the new motor  
5 vehicle dealer's right to sell and service motor  
6 vehicles for the franchisor,

7 ~~f.~~

8 g. requires a new motor vehicle dealer to enter into a  
9 site-control agreement covering any or all of the new  
10 motor vehicle dealer's facilities or premises;  
11 provided, that this ~~provision~~ section shall not  
12 restrict the terms of any site-control agreement  
13 voluntarily entered into and supported by valuable  
14 consideration separate from the new motor vehicle  
15 dealer's right to sell and service motor vehicles for  
16 the franchisor. Notwithstanding the foregoing or the  
17 terms of any site-control agreement, a site-control  
18 agreement automatically extinguishes if all of the  
19 factory's franchises that operated from the location  
20 that are the subject of the site-control agreement are  
21 terminated by the factory as part of the  
22 discontinuance of a product line, ~~or~~

23 ~~g.~~

24

1           h. refuses to pay, or claims reimbursement from, a new  
2           motor vehicle dealer for sales, incentives or other  
3           payments related to a motor vehicle sold by the new  
4           motor vehicle dealer because the purchaser of the  
5           motor vehicle exported or resold the motor vehicle in  
6           violation of the policy of the factory unless the  
7           factory can show that, at the time of the sale, the  
8           new motor vehicle dealer knew or reasonably should  
9           have known of the purchaser's intention to export or  
10           resell the motor vehicle. There is a rebuttable  
11           presumption that the new motor vehicle dealer did not  
12           know or could not have known that the vehicle would be  
13           exported if the vehicle is titled and registered in  
14           any state of the United States, or

15           i. requires a new motor vehicle dealer to purchase goods  
16           or services for the construction, renovation, or  
17           improvement of the dealer's facility from a vendor  
18           chosen by the factory if goods or services available  
19           from other sources are of substantially similar  
20           quality and design and comply with all applicable  
21           laws; provided, however, that such goods are not  
22           subject to the factory's intellectual property or  
23           trademark rights and the new motor vehicle dealer has  
24           received the factory's approval, which approval may

1 not be unreasonably withheld. Nothing in this  
2 subparagraph may be construed to allow a new motor  
3 vehicle dealer to impair or eliminate a factory's  
4 intellectual property, trademark rights or trade dress  
5 usage guidelines. Nothing in this section prohibits  
6 the enforcement of a voluntary agreement between the  
7 factory and the new motor vehicle dealer where  
8 separate and valuable consideration has been offered  
9 and accepted;

10 10. Being a factory that:

- 11 a. establishes a system of motor vehicle allocation or  
12 distribution which is unfair, inequitable or  
13 unreasonably discriminatory. Upon the request of any  
14 new motor vehicle dealer franchised by it, a factory  
15 shall disclose in writing to the new motor vehicle  
16 dealer the basis upon which new motor vehicles are  
17 allocated, scheduled and delivered among the new motor  
18 vehicle dealers of the same line-make for that  
19 factory, or
- 20 b. changes an established plan or system of motor vehicle  
21 distribution. A new motor vehicle dealer franchise  
22 agreement shall continue in full force and operation  
23 notwithstanding a change, in whole or in part, of an  
24 established plan or system of distribution of the

1 motor vehicles offered or previously offered for sale  
2 under such franchise agreement. The appointment of a  
3 new importer or distributor for motor vehicles offered  
4 for sale under such franchise agreement shall be  
5 deemed to be a change of an established plan or system  
6 of distribution. The discontinuation of a line-make  
7 shall not be deemed to be a change of an established  
8 plan or system of motor vehicle distribution. The  
9 creation of a line-make shall not be deemed to be a  
10 change of an established plan or system of motor  
11 vehicle distribution as long as the new line-make is  
12 not selling the same, or substantially the same,  
13 vehicle or vehicles previously sold through another  
14 line-make by new motor vehicle dealers with an active  
15 franchise agreement for the other line-make in the  
16 state if such new motor vehicle dealers are no longer  
17 authorized to sell the comparable vehicle previously  
18 sold through their line-make. Changing a vehicle's  
19 powertrain is not sufficient to show it is  
20 substantially different. Upon the occurrence of such  
21 change, the manufacturer or distributor shall be  
22 prohibited from obtaining a license to distribute  
23 vehicles under the new plan or system of distribution  
24 unless the manufacturer or distributor offers to each

1           new motor vehicle dealer who is a party to the  
2           franchise agreement a new franchise agreement  
3           containing substantially the same provisions which  
4           were contained in the previous franchise agreement;

5           11. Being a factory that sells directly or indirectly new motor  
6 vehicles to any retail consumer in the state except through a new  
7 motor vehicle dealer holding a franchise for the line-make that  
8 includes the new motor vehicle. This paragraph does not apply to  
9 factory sales of new motor vehicles to its employees, family members  
10 of employees, retirees and family members of retirees, not-for-  
11 profit organizations, or the federal, state, or local governments.  
12 The provisions of this paragraph shall not preclude a factory from  
13 providing information to a consumer for the purpose of marketing or  
14 facilitating a sale of a new motor vehicle or from establishing a  
15 program to sell or offer to sell new motor vehicles through  
16 participating dealers subject to the limitations provided in  
17 paragraph 2 of Section 562 of this title;

18           12. a. Being a factory which directly or indirectly:

- 19                   (1) owns any ownership interest or has any financial  
20                   interest in a new motor vehicle dealer or any  
21                   person who sells products or services pursuant to  
22                   the ~~public~~ terms of the franchise agreement,  
23                   (2) operates or controls a new motor vehicle dealer,  
24                   or

1 (3) acts in the capacity of a new motor vehicle  
2 dealer.

3 b. (1) This paragraph does not prohibit a factory from  
4 owning or controlling a new motor vehicle dealer  
5 while in a bona fide relationship with a dealer  
6 development candidate who has made a substantial  
7 initial investment in the franchise and whose  
8 initial investment is subject to potential loss.  
9 The dealer development candidate can reasonably  
10 expect to acquire full ownership of a new motor  
11 vehicle dealer within a reasonable period of time  
12 not to exceed ten (10) years and on reasonable  
13 terms and conditions. The ten-year acquisition  
14 period may be expanded for good cause shown.

15 (2) This paragraph does not prohibit a factory from  
16 owning, operating, controlling or acting in the  
17 capacity of a new motor vehicle dealer for a  
18 period not to exceed twelve (12) months during  
19 the transition from one independent dealer to  
20 another independent dealer if the dealership is  
21 for sale at a reasonable price and on reasonable  
22 terms and conditions to an independent qualified  
23 buyer. On showing by a factory of good cause,  
24 the Oklahoma New Motor Vehicle Commission may

1 extend the time limit set forth above; extensions  
2 may be granted for periods not to exceed twelve  
3 (12) months.

4 (3) This paragraph does not prohibit a factory from  
5 owning, operating or controlling or acting in the  
6 capacity of a new motor vehicle dealer which was  
7 in operation prior to January 1, 2000.

8 (4) This paragraph does not prohibit a factory from  
9 owning, directly or indirectly, a minority  
10 interest in an entity that owns, operates or  
11 controls new motor vehicle dealerships of the  
12 same line-make franchised by the manufacturer,  
13 provided that each of the following conditions  
14 are met:

15 (a) all of the new motor vehicle dealerships  
16 selling the motor vehicles of that  
17 manufacturer in this state trade exclusively  
18 in the line-make of that manufacturer,

19 (b) all of the franchise agreements of the  
20 manufacturer confer rights on the dealer of  
21 the line-make to develop and operate, within  
22 a defined geographic territory or area, as  
23 many dealership facilities as the dealer and  
24 manufacturer shall agree are appropriate,

1 (c) at the time the manufacturer first acquires  
2 an ownership interest or assumes operation,  
3 the distance between any dealership thus  
4 owned or operated and the nearest  
5 unaffiliated new motor vehicle dealership  
6 trading in the same line-make is not less  
7 than seventy (70) miles,

8 (d) during any period in which the manufacturer  
9 has such an ownership interest, the  
10 manufacturer has no more than three  
11 franchise agreements with new motor vehicle  
12 dealers licensed by the Oklahoma Motor  
13 Vehicle Commission to do business within the  
14 state, and

15 (e) prior to January 1, 2000, the factory shall  
16 have furnished or made available to  
17 prospective new motor vehicle dealers an  
18 ~~offering circular~~ offering circular in  
19 accordance with the Trade Regulation Rule on  
20 Franchising of the Federal Trade Commission,  
21 and any guidelines and exemptions issued  
22 thereunder, which disclose the possibility  
23 that the factory may from time to time seek  
24

1 to own or acquire, directly or indirectly,  
2 ownership interests in retail dealerships;

3 13. Being a factory which directly or indirectly makes  
4 available for public disclosure any proprietary information provided  
5 to the factory by a new motor vehicle dealer, other than in  
6 composite form to new motor vehicle dealers in the same line-make or  
7 in response to a subpoena or order of the Commission or a court.  
8 Proprietary information includes, but is not limited to,  
9 information:

- 10 a. derived from monthly financial statements provided to  
11 the factory, and  
12 b. regarding any aspect of the profitability of a  
13 particular new motor vehicle dealer;

14 14. Being a factory which does not provide or direct leads in a  
15 fair, equitable and timely manner. Nothing in this paragraph shall  
16 be construed to require a factory to disregard the preference of a  
17 consumer in providing or directing a lead;

18 15. Being a factory which used the ~~customer~~ consumer list of a  
19 new motor vehicle dealer for the purpose of unfairly competing with  
20 dealers;

21 16. Being a factory which prohibits a new motor vehicle dealer  
22 from relocating after a written request by such new motor vehicle  
23 dealer if:  
24

1 a. the facility and the proposed new location satisfies  
2 or meets the written reasonable guidelines of the  
3 factory. Reasonable guidelines do not include  
4 exclusivity or site control unless agreed to as set  
5 forth in subparagraphs e f and f g of paragraph 9 of  
6 this subsection,

7 b. the proposed new location is within the area of  
8 responsibility of the new motor vehicle dealer  
9 pursuant to Section 578.1 of this title, and

10 c. the factory has sixty (60) days from receipt of the  
11 new motor vehicle dealer's relocation request to  
12 approve or deny the request. The failure to approve  
13 or deny the request within the sixty-day time frame  
14 shall constitute approval of the request;

15 17. Being a factory which prohibits a new motor vehicle dealer  
16 from adding additional line-makes to its existing facility, if,  
17 after adding the additional line-makes, the facility satisfies the  
18 written reasonable capitalization standards and facility guidelines  
19 of each factory. Reasonable facility guidelines do not include a  
20 requirement to maintain exclusivity or site control unless agreed to  
21 by the dealer as set forth in subparagraphs e f and f g of paragraph  
22 9 of this subsection;

23 18. Being a factory that increases prices of new motor vehicles  
24 which the new motor vehicle dealer had ordered for retail consumers

1 and notified the factory prior to the new motor vehicle dealer's  
2 receipt of the written official price increase notification. A  
3 sales contract signed by a retail consumer accompanied with proof of  
4 order submission to the factory shall constitute evidence of each  
5 such order, provided that the vehicle is in fact delivered to the  
6 ~~customer~~ consumer. Price differences applicable to new models or  
7 series motor vehicles at the time of the introduction of new models  
8 or series shall not be considered a price increase for purposes of  
9 this paragraph. Price changes caused by any of the following shall  
10 not be subject to the provisions of this paragraph:

- 11 a. the addition to a motor vehicle of required or
- 12 optional equipment pursuant to state or federal law,
- 13 b. revaluation of the United States dollar in the case of
- 14 foreign-made vehicles or components, or
- 15 c. an increase in transportation charges due to increased
- 16 rates imposed by common or contract carriers;

17 19. Being a factory that requires a new motor vehicle dealer to  
18 participate monetarily in an advertising campaign or contest, or  
19 purchase any promotional materials, showroom or other display  
20 decoration or materials at the expense of the new motor vehicle  
21 dealer without consent of the new motor vehicle dealer, which  
22 consent shall not be unreasonably withheld;

23 20. Being a factory that denies any new motor vehicle dealer  
24 the right of free association with any other new motor vehicle

1 dealer for any lawful purpose, unless otherwise permitted by this  
2 chapter; or

3 21. Being a factory that requires a new motor vehicle dealer to  
4 sell, offer to sell or sell exclusively an extended service  
5 contract, extended maintenance plan or similar product, such as gap  
6 products offered, endorsed or sponsored by the factory by the  
7 following means:

8 a. by an act or statement from the factory that will in  
9 any manner adversely impact the new motor vehicle  
10 dealer,

11 b. by measuring the new motor vehicle dealer's  
12 performance under the franchise based on the sale of  
13 extended service contracts, extended maintenance plans  
14 or similar products offered, endorsed or sponsored by  
15 the manufacturer or distributor.

16 B. Notwithstanding the terms of any franchise agreement, in the  
17 event of a proposed sale or transfer of a dealership, the  
18 manufacturer or distributor shall be permitted to exercise a right  
19 of first refusal to acquire the assets or ownership interest of the  
20 dealer of the new motor vehicle dealership, if such sale or transfer  
21 is conditioned upon the manufacturer or dealer entering into a  
22 dealer agreement with the proposed new owner or transferee, only if  
23 all the following requirements are met:

24

1           1. To exercise its right of first refusal, the factory must  
2 notify the new motor vehicle dealer in writing within sixty (60)  
3 days of receipt of the completed proposal for the proposed sale  
4 transfer;

5           2. The exercise of the right of first refusal will result in  
6 the new motor vehicle dealer and the owner of the dealership  
7 receiving the same or greater consideration as they have contracted  
8 to receive in connection with the proposed change of ownership or  
9 transfer;

10          3. The proposed sale or transfer ~~of the assets~~ of the  
11 dealership does not involve the transfer or sale to a member or  
12 members of the family of one or more dealer owners, or to a  
13 qualified manager or a partnership or corporation controlled by such  
14 persons; and

15          4. The factory agrees to pay the reasonable expenses, including  
16 attorney fees which do not exceed the usual, customary and  
17 reasonable fees charged for similar work done for other clients  
18 incurred by the proposed new owner and transferee prior to the  
19 exercise by the factory of its right of first refusal in negotiating  
20 and implementing the contract for the proposed sale or transfer of  
21 the dealership or dealership assets. Notwithstanding the foregoing,  
22 no payment of expenses and attorney fees shall be required if the  
23 proposed new dealer or transferee has not submitted or caused to be  
24 submitted an accounting of those expenses within thirty (30) days of

1 receipt of the written request of the factory for such an  
2 accounting. The accounting may be requested by a factory before  
3 exercising its right of first refusal.

4 C. Nothing in this section shall prohibit, limit, restrict or  
5 impose conditions on:

6 1. Business activities, including without limitation the  
7 dealings with motor vehicle manufacturers and the representatives  
8 and affiliates of motor vehicle manufacturers, of any person that is  
9 primarily engaged in the business of short-term, not to exceed  
10 twelve (12) months, rental of motor vehicles and industrial and  
11 construction equipment and activities incidental to that business,  
12 provided that:

13 a. any motor vehicle sold by that person is limited to  
14 used motor vehicles that have been previously used  
15 exclusively and regularly by that person in the  
16 conduct of business and used motor vehicles traded in  
17 on motor vehicles sold by that person,

18 b. warranty repairs performed by that person on motor  
19 vehicles are limited to those motor vehicles that ~~it~~  
20 the person owns, previously owned or takes in trade,  
21 and

22 c. motor vehicle financing provided by that person to  
23 retail consumers for motor vehicles is limited to used  
24

1 vehicles sold by that person in the conduct of  
2 business; or

3 2. The direct or indirect ownership, affiliation or control of  
4 a person described in paragraph 1 of this subsection.

5 D. As used in this section:

6 1. "Substantially relates" means the nature of criminal conduct  
7 for which the person was convicted has a direct bearing on the  
8 fitness or ability to perform one or more of the duties or  
9 responsibilities necessarily related to the occupation; and

10 2. "Poses a reasonable threat" means the nature of criminal  
11 conduct for which the person was convicted involved an act or threat  
12 of harm against another and has a bearing on the fitness or ability  
13 to serve the public or work with others in the occupation.

14 E. Nothing in this section shall prohibit a manufacturer or  
15 distributor from requiring a dealer to be in compliance with the  
16 franchise agreement and authorized to sell a make and model based on  
17 applicable reasonable standards and requirements that include, but  
18 are not limited to, any facility, technology, or training  
19 requirements necessary to sell or service such vehicle, in order to  
20 be eligible for delivery or allotment of a make or model of a new  
21 motor vehicle or an incentive.

22 SECTION 10. AMENDATORY 47 O.S. 2021, Section 565.1, is  
23 amended to read as follows:  
24

1 Section 565.1 A. For the purposes of this section, "designated  
2 successor" means a person who the new motor vehicle dealer has  
3 designated to take over operation of the dealership or a legal heir  
4 or devisee under the will of a new motor vehicle dealer or under the  
5 laws of descent and distribution of this state.

6 B. Notwithstanding the terms of any franchise agreement, and  
7 subject to the following conditions contained in paragraphs 1  
8 through 5 of this ~~section~~ subsection, any manufacturer or  
9 distributor who prevents or refuses to honor the succession to the  
10 operation of a dealership by any legal heir or devisee under the  
11 will of a new motor vehicle dealer or under the laws of descent and  
12 distribution of this state a designated successor, without good  
13 cause or good faith, as defined in this section, shall be subject to  
14 the following procedure:

15 1. Within one hundred twenty (120) days after the death or  
16 departure of the new motor vehicle dealer, the manufacturer shall  
17 receive a written notice from ~~any legal heir or devisee~~ the  
18 dealership of the designated successor who intends to ~~establish a~~  
19 become the successor dealership operator. If timely notice is not  
20 so received, ~~then~~ this paragraph shall not apply, and any succession  
21 shall be governed solely by the terms of the franchise;

22 2. Within thirty (30) days of receipt of the ~~legal heir's or~~  
23 ~~devisee's~~ dealership's timely written notice, the manufacturer may  
24 request, and the ~~legal heir or devisee~~ designated successor shall,

1 within a reasonable time, provide any information which is  
2 reasonably necessary for the manufacturer to evaluate the ~~proposed~~  
3 designated successor dealer and dealership, including, ~~but not~~  
4 ~~limited to,~~ applications, ~~proposals for facilities~~ and financing;

5 3. Within sixty (60) days of receipt of such information, the  
6 manufacturer shall approve or disapprove the ~~proposed~~ designated  
7 successor ~~dealership~~ dealer, and in case of disapproval shall  
8 communicate in writing such disapproval and grounds for disapproval  
9 to the ~~legal heir or devisee~~ dealership;

10 4. Failure of the manufacturer to act in a timely manner with  
11 respect to any time period described above shall constitute a waiver  
12 of the manufacturer's right to disapprove the proposed succession;  
13 and

14 5. Within ten (10) days of ~~its~~ the dealership's receipt of the  
15 manufacturer's notice of disapproval, the ~~legal heir or devisee~~  
16 dealership may file a protest of the manufacturer's decision with  
17 the Oklahoma New Motor Vehicle Commission and request a hearing.  
18 Such hearing shall be heard in a substantially similar manner as  
19 provided by Section 566 of this title, except that the Commission  
20 shall render a final decision within sixty (60) days of the filing  
21 of the protest. The manufacturer shall have the burden of proof to  
22 show that its disapproval was for a good cause and in good faith. A  
23 denial shall not be for good cause and in good faith unless the  
24 factory establishes that the ~~legal heir or devisee, or the legal~~

1 ~~heir or devisee's controlling executive management, designated~~  
2 successor is not of good moral character or fails to meet the  
3 written, reasonable and uniformly applied requirements of the  
4 manufacturer or distributor relating to financial qualifications,  
5 general business experience, and other requirements relating to  
6 prospective franchisees. However, a ~~legal heir that~~ designated  
7 successor who is a family member and who is of good moral character  
8 in accordance with ~~the factory's~~ reasonable factory qualifications  
9 and meets the factory's financial qualifications may rely on  
10 controlling executive management that is of good moral character and  
11 meets the factory's qualifications for general business experience  
12 ~~and other requirements relating to prospective franchises.~~ Any  
13 denial of the designated successor based upon a failure to agree to  
14 terms other than those contained in the existing franchise  
15 agreement, related addendums and agreements, and any written notice  
16 provided to the existing dealer prior to the manufacturer's or  
17 distributor's receipt of any written notice from the existing dealer  
18 of the proposed transfer shall not be considered good cause for such  
19 denial. However, any proposed change to the franchise pursuant to  
20 written notice from the manufacturer or distributor, to be valid,  
21 shall be in compliance with existing law. The disapproval by the  
22 manufacturer shall be final if the ~~legal heir or devisee~~ dealership  
23 fails to file a timely protest of ~~such~~ the disapproval. In the  
24 event that the Commission finds that the manufacturer's disapproval

1 was not made for good cause, then it shall issue a final order  
2 requiring the manufacturer to honor the successor designated in the  
3 notice sent by the ~~legal heir or devisee~~ dealership.

4 Notwithstanding anything to the contrary in this section, a new  
5 motor vehicle dealer may designate any person as successor by filing  
6 a written instrument pursuant to the franchise with the manufacturer  
7 during the new motor vehicle dealer's lifetime. In such a case, the  
8 written instrument and franchise shall govern the dealership  
9 succession.

10 The suspension, revocation or refusal to issue or renew a  
11 license or the imposition of any other penalty by the Commission  
12 shall be in addition to any penalty which might be imposed upon any  
13 licensee upon judgment or conviction in a court of competent  
14 jurisdiction for any violation of the provisions of Sections 561  
15 through 567, 572, 578.1, 579 and 579.1 of this title.

16 SECTION 11. AMENDATORY 47 O.S. 2021, Section 565.2, is  
17 amended to read as follows:

18 Section 565.2 A. Irrespective of the terms, provisions or  
19 conditions of any franchise, or the terms or provisions of any  
20 waiver, no manufacturer shall terminate, cancel or fail to renew any  
21 franchise with a licensed new motor vehicle dealer unless the  
22 manufacturer has satisfied the notice requirements as provided in  
23 this section and has good cause for cancellation, termination or  
24 nonrenewal. The manufacturer shall not attempt to cancel or fail to

1 renew the franchise agreement of a new motor vehicle dealer in this  
2 state unfairly and without just provocation or without due regard to  
3 the equities of the dealer or without good faith as defined herein.  
4 As used herein, "good faith" means the duty of each party to any  
5 franchise agreement to act in a fair and equitable manner toward  
6 each other, with freedom from coercion or intimidation or threats  
7 thereof from each other.

8 B. Irrespective of the terms, provisions or conditions of any  
9 franchise, or the terms or provisions of any waiver, good cause  
10 shall exist for the purpose of a termination, cancellation, or  
11 nonrenewal when:

12 1. The new motor vehicle dealer has failed to comply with a  
13 provision of the franchise, which provision is both reasonable and  
14 of material significance to the franchise relationship, or the new  
15 motor vehicle dealer has failed to comply with reasonable  
16 performance criteria for sales or service established by the  
17 manufacturer, and the new motor vehicle dealer has been notified by  
18 written notice from the manufacturer; and

19 2. The new motor vehicle dealer has received written  
20 notification of failure to comply with the manufacturer's reasonable  
21 sales performance standards, capitalization requirements, facility  
22 commitments, business-related equipment acquisitions or other such  
23 remediable failings exclusive of those reasons enumerated in  
24 paragraph 1 of subsection C of this section, and the new motor

1 vehicle dealer has been afforded a reasonable opportunity of not  
2 less than six (6) months to comply with such a provision or  
3 criteria.

4 C. Irrespective of the terms, provisions or conditions of any  
5 franchise agreement prior to the termination, cancellation or  
6 nonrenewal of any franchise, the manufacturer shall furnish  
7 notification of such termination, cancellation or nonrenewal to the  
8 new motor vehicle dealer and the Oklahoma New Motor Vehicle  
9 Commission as follows:

10 1. Not less than ninety (90) days prior to the effective date  
11 of ~~such~~ the termination, cancellation or nonrenewal unless for a  
12 cause described in paragraph 2 of this subsection;

13 2. Not less than fifteen (15) days prior to the effective date  
14 of ~~such~~ the termination, cancellation or nonrenewal with respect to  
15 any of the following:

16 a. insolvency of the new motor vehicle dealer, or the  
17 filing of any petition by or against the new motor  
18 vehicle dealer under any bankruptcy or receivership  
19 law,

20 b. failure of the new motor vehicle dealer to conduct its  
21 customary sales and service operations during its  
22 customary business hours for seven (7) consecutive  
23 business days, provided that such failure to conduct  
24 business shall not be due to an act of God or

1           circumstances beyond the direct control of the new  
2           motor vehicle dealer, or

3           c.   conviction of the new motor vehicle dealer of any  
4           felony which is punishable by imprisonment or a  
5           violation of the Federal Odometer Act; and

6           3.   Not less than one hundred eighty (180) days prior to the  
7           effective date of ~~such~~ the termination or cancellation where the  
8           manufacturer or distributor is discontinuing the sale of the product  
9           line.

10          The notification required by this subsection shall be by  
11          certified mail, return receipt requested, and shall contain a  
12          statement of intent to terminate, to cancel or to not renew the  
13          franchise, a statement of the reasons for the termination,  
14          cancellation or nonrenewal and the date the termination shall take  
15          effect.

16          D.   Upon the affected new motor vehicle dealer's receipt of the  
17          aforementioned notice of termination, cancellation or nonrenewal,  
18          the new motor vehicle dealer shall have the right to file a protest  
19          of such threatened termination, cancellation or nonrenewal with the  
20          Commission within thirty (30) days and request a hearing.  Such  
21          hearing shall be held within one hundred eighty (180) days of the  
22          date of the dealer's timely protest in accordance with the  
23          provisions of the Administrative Procedures Act, Sections ~~301~~ 250  
24          through ~~326~~ 323 of Title 75 of the Oklahoma Statutes, to determine

1 if the threatened cancellation, termination or nonrenewal of the  
2 franchise has been for good cause and if the factory has complied  
3 with its obligations pursuant to subsections A, B and C of this  
4 section and the factory shall have the burden of proof. Either  
5 party may request an additional one-hundred-eighty-day extension  
6 from the Commission. Approval of the requested extension may not be  
7 unreasonably withheld or delayed. If the Commission finds that the  
8 threatened cancellation, termination or nonrenewal of the franchise  
9 has not been for good cause or violates subsection A, B or C of this  
10 section, then it shall issue a final order stating that the  
11 threatened termination is wrongful. A factory shall have the right  
12 to appeal such order. During the pendency of the hearing and after  
13 the decision, the franchise shall remain in full force and effect,  
14 including the right to transfer the franchise. If the Commission  
15 finds that the threatened cancellation, termination or nonrenewal is  
16 for good cause and does not violate subsection A, B or C of this  
17 section, the new motor vehicle dealer shall have the right to an  
18 appeal. During the pendency of the action, including the final  
19 decision or appeal, the franchise shall remain in full force and  
20 effect, including the right to transfer the franchise. If the new  
21 motor vehicle dealer prevails in the threatened termination action,  
22 the Commission shall award to the new motor vehicle dealer the  
23 attorney fees and costs incurred to defend the action.

24

1 E. If the factory prevails in an action to terminate, cancel or  
2 not renew any franchise, the new motor vehicle dealer shall be  
3 allowed fair and reasonable compensation by the manufacturer for:

4 1. New current and previous model year vehicle inventory which  
5 has been acquired from the manufacturer, and which is unused and has  
6 not been damaged or altered while in the new motor vehicle dealer's  
7 possession;

8 2. Supplies and parts which have been acquired from the  
9 manufacturer, for the purpose of this section, limited to any and  
10 all supplies and parts that are listed on the current parts price  
11 sheet available to the new motor vehicle dealer;

12 3. Equipment and furnishings, provided the new motor vehicle  
13 dealer purchased them from the manufacturer or its approved sources;  
14 and

15 4. Special tools, with such fair and reasonable compensation to  
16 be paid by the manufacturer within ninety (90) days of the effective  
17 date of the termination, cancellation or nonrenewal, provided the  
18 new motor vehicle dealer has clear title to the inventory and other  
19 items and is in a position to convey that title to the manufacturer.

20 a. For the purposes of paragraph 1 of this subsection,  
21 fair and reasonable compensation shall be no less than  
22 the net acquisition price of the vehicle paid by the  
23 new motor vehicle dealer.

24

1           b. For the purposes of paragraphs 2, 3 and 4 of this  
2           subsection, fair and reasonable compensation shall be  
3           the net acquisition price paid by the new motor  
4           vehicle dealer less a twenty-percent (20%) straight-  
5           line depreciation for each year following the dealer's  
6           acquisition of the supplies, parts, equipment,  
7           furnishings and/or special tools.

8           F. If a factory prevails in an action to terminate, cancel or  
9           not renew any franchise and the new motor vehicle dealer is leasing  
10          the dealership facilities, the manufacturer shall pay a reasonable  
11          rent to the lessor in accordance with and subject to the provisions  
12          of subsection G of this section. Nothing in this section shall be  
13          construed to relieve a new motor vehicle dealer of its duty to  
14          mitigate damages.

15          G. 1. Such reasonable rental value shall be paid only to the  
16          extent the dealership premises are recognized in the franchise and  
17          only if they are:

18               a. used solely for performance in accordance with the  
19               franchise. If the facility is used for the operation  
20               of more than one franchise, the reasonable rent shall  
21               be paid based upon the portion of the facility  
22               utilized by the franchise being terminated, canceled  
23               or nonrenewed, and  
24

1           b.    not substantially in excess of facilities recommended  
2                    by the manufacturer.

3           2.    If the facilities are owned by the new motor vehicle dealer,  
4 within ninety (90) days following the effective date of the  
5 termination, cancellation or nonrenewal the manufacturer will  
6 either:

7           a.    locate a qualified purchaser who will offer to  
8                    purchase the dealership facilities at a reasonable  
9                    price,

10          b.    locate a qualified lessee who will offer to lease the  
11                    premises for the remaining lease term at the rent set  
12                    forth in the lease, or

13          c.    failing the foregoing, lease the dealership facilities  
14                    at a reasonable rental value for the portion of the  
15                    facility that is recognized in the franchise agreement  
16                    for one (1) year.

17          3.    If the facilities are leased by the new motor vehicle  
18 dealer, within ninety (90) days following the effective date of the  
19 termination, cancellation or nonrenewal the manufacturer will  
20 either:

21          a.    locate a tenant or tenants satisfactory to the lessor,  
22                    who will sublet or assume the balance of the lease,  
23  
24

1           b.    arrange with the lessor for the cancellation of the  
2                    lease without penalty to the new motor vehicle dealer,  
3                    or

4           c.    failing the foregoing, lease the dealership facilities  
5                    at a reasonable rent for the portion of the facility  
6                    that is recognized in the franchise agreement for one  
7                    (1) year.

8           4.    The manufacturer shall not be obligated to provide  
9 assistance under this section if the new motor vehicle dealer:

10           a.    fails to accept a bona fide offer from a prospective  
11                    purchaser, ~~subleases~~ sublessee or assignee,

12           b.    refuses to execute a settlement agreement with the  
13                    lessor if such agreement with the lessor would be  
14                    without cost to the new motor vehicle dealer, or

15           c.    fails to make written request for assistance under  
16                    this section within ninety (90) days after the  
17                    effective date of the termination, cancellation or  
18                    nonrenewal.

19           5.    The manufacturer shall be entitled to occupy and use any  
20 space for which it pays rent required by this section.

21           H.    In addition to the repurchase requirements set forth in  
22 subsections E and G of this section, in the event the termination or  
23 cancellation is the result of a discontinuance of a product line,  
24 the manufacturer or distributor shall compensate the new motor

1 vehicle dealer in an amount equivalent to the fair market value of  
2 the terminated franchise as of the date ~~of~~ immediately preceding the  
3 manufacturer's or distributor's announcement or provide the new  
4 motor vehicle dealer with a replacement franchise on substantially  
5 similar terms and conditions as those offered to other same line-  
6 make dealers. The new motor vehicle dealer may immediately request  
7 payment under this ~~provision~~ section following the announcement in  
8 exchange for ~~cancelling~~ canceling any further franchise rights,  
9 except payments owed to the new motor vehicle dealer in the ordinary  
10 course of business, or may request payment under this ~~provision~~  
11 section upon the final termination, cancellation or nonrenewal of  
12 the franchise. In either case, payment under this ~~provision~~ section  
13 shall be made not later than ninety (90) days after the fair market  
14 value is determined. If the factory and new motor vehicle dealer  
15 cannot agree on the fair market value of the terminated franchise or  
16 agree to a process to determine the fair market value, then the  
17 factory and new motor vehicle dealer shall utilize a neutral ~~third~~  
18 ~~party~~ third-party mediator to resolve the disagreement.

19 SECTION 12. AMENDATORY 47 O.S. 2021, Section 565.3, is  
20 amended to read as follows:

21 Section 565.3 A. A franchised vehicle dealer proposing a sale,  
22 transfer, or assignment of a franchise agreement or the business and  
23 assets of a dealership or an interest in a dealership to another  
24 person, hereinafter transferee, shall notify the manufacturer or

1 distributor whose vehicles the dealer is franchised to sell of the  
2 proposed action of the dealer. The manufacturer or distributor may  
3 make written request to the proposed transferee to submit completed  
4 application forms and related information generally utilized by a  
5 manufacturer to evaluate such a proposal and a copy of all  
6 agreements related to the proposed sale, transfer, or assignment.

7 B. The approval by the manufacturer or distributor of the sale,  
8 transfer, or assignment shall not be unreasonably withheld unless  
9 the proposed transferee is not of good moral character or fails to  
10 meet the written, reasonable, and uniformly applied requirements of  
11 the manufacturer or distributor relating to prospective franchisees.  
12 Approval of the transfer shall not be made contingent upon the  
13 transferee meeting unreasonable facility requirements or performance  
14 standards, ~~but may be made contingent upon the transferee meeting~~  
15 ~~reasonable written requirements~~ different than those contained in  
16 the transferor's franchise agreement and related addendum and  
17 agreements, and any written notices provided to the existing dealer  
18 prior to the manufacturer's or distributor's receipt of any written  
19 notice from the existing dealer of the proposed transfer. However,  
20 to be valid, any proposed change to the franchise pursuant to  
21 written notice from the manufacturer or distributor shall be in  
22 compliance with existing law. The burden of proof shall be upon the  
23 manufacturer or distributor to show good cause existed to withhold  
24 approval. The manufacturer or distributor that has made such a

1 determination shall send a letter by certified mail to the dealer  
2 and the applicant of its refusal to approve the proposal, which  
3 shall include a statement of the specific grounds for refusal,  
4 within sixty (60) days after the later of:

5 1. Receipt by the manufacturer or distributor of the notice of  
6 the proposed sale, transfer, or assignment; or

7 2. Receipt by the manufacturer or distributor of the  
8 information requested from the proposed transferee pursuant to  
9 subsection A of this section if the manufacturer or distributor has  
10 requested such information within fifteen (15) days of receipt of  
11 written notice of the proposed sale, transfer, or assignment.

12 C. Failure of the manufacturer or distributor to send its  
13 notice of refusal pursuant to subsection B of this section shall  
14 mean that the application for the proposed sale, transfer, or  
15 assignment is approved.

16 D. If the proposed sale, transfer, or assignment is to an  
17 existing owner's family member or other existing owner, the  
18 manufacturer or distributor's evaluation of the proposal is limited  
19 to the written, reasonable, and uniformly applied requirements of  
20 the manufacturer or distributor relating to good moral character and  
21 financial qualifications. Notwithstanding the foregoing, a change  
22 in dealer operator shall be addressed pursuant to the provisions of  
23 Section 565.1 of this title.

24

1        E. A dealer dealership or dealership owner receiving notice of  
2 refusal of the sale, transfer, or assignment shall have the right to  
3 file a protest with the Oklahoma New Motor Vehicle Commission within  
4 thirty (30) days of receipt of the refusal. ~~A dealer receiving~~  
5 ~~notice that the sale, transfer or assignment is contingent upon the~~  
6 ~~transferee meeting facility and/or performance standards shall have~~  
7 ~~the right to file a protest with the Commission within thirty (30)~~  
8 ~~days of receipt of the notice.~~ In the event a protest is filed, the  
9 manufacturer or distributor shall have the burden of proof to  
10 establish the proposed transferee or the proposed transferee's  
11 controlling executive management is not of good moral character or  
12 fails to meet the written reasonable and uniformly applied  
13 requirements of the manufacturer or distributor relating to  
14 prospective franchisees or that the facility requirements are not  
15 ~~reasonable based on the reasons set forth in subparagraph d of~~  
16 ~~paragraph 9 of Section 565 of this title~~ different than those  
17 contained in the transferor's franchise agreement.

18        F. Notwithstanding any other provision of this section, the  
19 dealer shall submit a signed copy of the Dealer Sales and Service  
20 Agreement resulting from any completed sale, transfer, or assignment  
21 of a franchise to the Oklahoma New Motor Vehicle Commission within  
22 fifteen (15) business days.

23        SECTION 13.        AMENDATORY        47 O.S. 2021, Section 566, is  
24 amended to read as follows:

1 Section 566. The Oklahoma New Motor Vehicle Commission may deny  
2 any application for license, or suspend or revoke a license issued  
3 or impose a fine, only after a hearing of which the applicant, or  
4 licensee affected, shall be given at least ten (10) days' written  
5 notice specifying the reason for denying the applicant a license,  
6 or, in the case of a revocation or suspension or imposition of a  
7 fine, the offenses of which the licensee is charged. Such notices  
8 may be served as provided by law for the service of notices, or  
9 mailing a copy by registered mail to the last-known residence or  
10 business address of such applicant or licensee. The hearing on such  
11 charges shall be at such time and place as the Commission may  
12 prescribe and the aforementioned notice shall further specify the  
13 time and place. If such applicant or licensee is a motor vehicle  
14 salesperson, factory representative or distributor representative,  
15 the Commission shall in like manner also notify the person, firm,  
16 association, corporation or trust with whom he or she is associated,  
17 or in whose association he or she is about to enter. The Commission  
18 shall have the power to compel the production of all records, papers  
19 and other documents which may be deemed relevant to the proceeding  
20 bearing upon the complaints. The Commission shall have the power to  
21 subpoena and bring before it any person, or take testimony of any  
22 such person by deposition, with the same fees and mileage and in the  
23 same manner as prescribed in proceedings before courts of the state  
24 in civil cases. Any party to such hearing shall have the right to

1 the attendance of witnesses in his or her behalf upon designating to  
2 the Commission the person or persons sought to be subpoenaed.

3 SECTION 14. AMENDATORY 47 O.S. 2021, Section 566.1, is  
4 amended to read as follows:

5 Section 566.1 All rulings, orders, decisions, procedures or  
6 acts of the Oklahoma New Motor Vehicle Commission shall be subject  
7 to the provisions of the Administrative Procedures Act, Sections 301  
8 through 326 of Title 75 of the Oklahoma Statutes.

9 SECTION 15. AMENDATORY 47 O.S. 2021, Section 567, is  
10 amended to read as follows:

11 Section 567. The Oklahoma New Motor Vehicle Commission is  
12 hereby authorized, without cost bond or deposit, to institute  
13 injunctive actions in courts of competent jurisdiction, in the name  
14 of the State of Oklahoma on the relation of the Commission, to  
15 enforce the provisions of Sections 561 through 567, 572, 578.1, 579  
16 and 579.1 of this title. Any licensee or other person who violates  
17 or threatens to violate any provision of this chapter or rule  
18 promulgated thereunder or order of the Commission may be enjoined  
19 from so doing.

20 SECTION 16. AMENDATORY 47 O.S. 2021, Section 576, is  
21 amended to read as follows:

22 Section 576. There is hereby created a petty cash fund not to  
23 exceed One Hundred Dollars (\$100.00) for the Oklahoma New Motor  
24

1 Vehicle Commission, which may be expended for small authorized  
2 expenses of the Commission.

3 SECTION 17. AMENDATORY 47 O.S. 2021, Section 578.1, is  
4 amended to read as follows:

5 Section 578.1 A. Notwithstanding the terms of a franchise and  
6 notwithstanding the terms of a waiver, if a factory intends or  
7 proposes to enter into a franchise to establish an additional new  
8 motor vehicle dealer or to relocate an existing new motor vehicle  
9 dealer within or into a relevant market area in which the same line-  
10 make of motor vehicle is currently represented, the factory shall  
11 provide at least sixty (60) days advance written notice to the  
12 Commission and to each new motor vehicle dealer of the same line-  
13 make in the relevant market area, of the intention of the factory to  
14 establish an additional new motor vehicle dealer or to relocate an  
15 existing new motor vehicle dealer within or into the relevant market  
16 area. For purposes of this section, the "relevant market area"  
17 means the area within a radius of fifteen (15) miles ~~of~~ around the  
18 site of the proposed new motor vehicle dealership measured from the  
19 property boundary of the primary dealership property. The notice  
20 shall be sent by certified mail to each party and shall include the  
21 following information:

22 1. The specific location at which the additional or relocated  
23 new motor vehicle dealer will be established;

24

1           2. The date on or after which the additional or relocated new  
2 motor vehicle dealer intends to commence business at the proposed  
3 location;

4           3. The identity of all new motor vehicle dealers who are  
5 franchised to sell the same line-make vehicles as the proposed new  
6 motor vehicle dealer and who have licensed locations within the  
7 relevant market area;

8           4. The names and addresses of the person intended to be  
9 franchised as the proposed additional or relocated new motor vehicle  
10 dealership, the principal investors in the proposed additional or  
11 relocated new motor vehicle dealership, and the proposed dealer  
12 operator of the proposed additional or relocated new motor vehicle  
13 dealership; and

14           5. The specific grounds or reasons for the proposed  
15 establishment of an additional new motor vehicle dealer or  
16 relocation of an existing new motor vehicle dealer.

17           B. ~~This section does not apply~~ The notice provisions and  
18 hearing opportunities prescribed in subsection A of this section  
19 shall not apply if any of the following are true:

20           1. To the relocation of an existing new motor vehicle dealer  
21 within the relevant market area of that dealer; provided, that the  
22 relocation not be at a site within ten (10) miles of a licensed new  
23 motor vehicle dealer for the same line-make of motor vehicle;

1           2. To a proposed additional new motor vehicle dealer which is  
2 to be established at or within two (2) miles of a location at which  
3 a former licensed new motor vehicle dealer for the same line-make of  
4 new motor vehicle had ceased operating within the previous two (2)  
5 years;

6           3. To the relocation of an existing new motor vehicle dealer  
7 within two (2) miles of the existing site of the new motor vehicle  
8 dealership; or

9           4. To the relocation of an existing new motor vehicle dealer if  
10 the proposed site of the relocated new motor vehicle dealership is  
11 farther away from all other new motor vehicle dealers of the same  
12 line-make in that relevant market area.

13           C. Within thirty (30) days after receipt of the notice, or  
14 within thirty (30) days after the end of an appeal procedure  
15 provided by the factory, whichever is greater, a new motor vehicle  
16 dealer so notified or entitled to notice may file a petition with  
17 the Commission protesting the proposed establishment or relocation.  
18 The petition shall contain a short statement setting forth the  
19 reasons for the objection of the new motor vehicle dealer to the  
20 proposed establishment or relocation. Upon filing of a protest, the  
21 Commission shall promptly notify the factory that a timely protest  
22 has been filed and shall schedule a hearing, which shall be held  
23 within one hundred twenty (120) days of the filing of a timely  
24 protest. The factory shall not establish or relocate the new motor

1 vehicle dealer until the Commission has held a hearing and has  
2 determined that there is good cause for permitting the proposed  
3 establishment or relocation. When more than one protest is filed  
4 against the establishment or relocation of the same dealer, the  
5 Commission shall consolidate the hearings to expedite disposition of  
6 the matter.

7 D. The burden of proof to establish that good cause exists for  
8 permitting the proposed establishment of a new motor vehicle dealer  
9 or relocating an existing new motor vehicle dealership shall be on  
10 the applicant who seeks to establish a new motor vehicle dealership  
11 or the relocation of an existing new motor vehicle dealership.

12 SECTION 18. AMENDATORY 47 O.S. 2021, Section 579, is  
13 amended to read as follows:

14 Section 579. In determining whether good cause has been  
15 established for permitting the proposed establishment or relocation  
16 of an additional franchise for the same line-make, the Oklahoma New  
17 Motor Vehicle Commission shall take into consideration, and must be  
18 persuaded, that good cause exists for entering into or relocating an  
19 additional franchise for the same line-make by the greater weight of  
20 facts and the existing circumstances, including, but not limited to:

- 21 1. Permanency of the investment of the proposed dealership;
- 22 2. Effect on the retail new motor vehicle business and the  
23 consuming public in the relevant market area;

24

1 3. Whether it is injurious to the public welfare for an  
2 additional new motor vehicle dealership to be established;

3 4. Whether the new motor vehicle dealers of the same line-make  
4 in that relevant market area are providing adequate competition and  
5 convenient consumer care for the motor vehicle sales and service  
6 facilities, equipment, supply of motor vehicle parts, and qualified  
7 service personnel; and

8 5. Whether the establishment of an additional new motor vehicle  
9 dealership would increase competition, and therefore be in the  
10 public interest.

11 SECTION 19. AMENDATORY 47 O.S. 2021, Section 580.2, is  
12 amended to read as follows:

13 Section 580.2 During the time a person is operating a motor  
14 vehicle with the express or implied permission of ~~an authorized~~ a  
15 new motor vehicle dealer, as defined in Section 562 of this title,  
16 such person's motor vehicle liability policy shall have primary  
17 coverage with the motor vehicle liability policy of the new motor  
18 vehicle dealer having secondary coverage until the vehicle is  
19 returned. As used herein, "motor vehicle liability policy" means  
20 motor vehicle insurance against legal liability for the death,  
21 injury, or disability of any human being, or for damage to real or  
22 personal property. The motor vehicle liability policy of any person  
23 who has been loaned a vehicle by a new motor vehicle dealer pursuant  
24 to the terms of this section shall provide primary coverage for any

1 death or injury of any human being or for any real or personal  
2 property damage, including damage to the loaned vehicle, with the  
3 motor vehicle insurance policy of the new motor vehicle dealer  
4 having secondary coverage for any death or injury of any human being  
5 or for any real or personal property damage, including damage to the  
6 loaned vehicle. The change in financial responsibility shall be  
7 evidenced by a release signed by the person operating the vehicle  
8 with the express or implied permission of the new motor vehicle  
9 dealer with the release to be returned to the person upon the return  
10 of the motor vehicle to the new motor vehicle dealer. The motor  
11 vehicle liability policy of such person shall meet the minimum  
12 financial responsibility requirements found in Section 7-324 of this  
13 title.

14 This section shall apply only to the loan of a motor vehicle by  
15 ~~an authorized~~ a new motor vehicle dealer which ~~loan~~ occurs without  
16 financial remuneration in the form of a fee or lease charge.

17 SECTION 20. AMENDATORY 47 O.S. 2021, Section 583, as  
18 amended by Section 3, Chapter 107, O.S.L. 2022 (47 O.S. Supp. 2022,  
19 Section 583), is amended to read as follows:

20 Section 583. A. 1. It shall be unlawful and constitute a  
21 misdemeanor for any person to engage in business as, or serve in the  
22 capacity of, or act as a used motor vehicle dealer, wholesale used  
23 motor vehicle dealer, manufactured home dealer, restricted  
24 manufactured home park dealer, manufactured home installer, or

1 manufactured home manufacturer selling directly to a licensed  
2 manufactured home dealer in this state without first obtaining a  
3 license or following other requirements therefor as provided in this  
4 section.

5       2.   a.   Any person engaging, acting, or serving in the  
6             capacity of a used motor vehicle dealer, a  
7             manufactured home dealer, restricted manufactured home  
8             park dealer, a manufactured home installer, or a  
9             manufactured home manufacturer, or having more than  
10            one place where any such business, or combination of  
11            businesses, is carried on or conducted shall be  
12            required to obtain and hold a current license for each  
13            such business, in which engaged.

14        b.   If after a hearing in accordance with the provisions  
15             of Section 585 of this title, the Oklahoma Used Motor  
16             Vehicle, Dismantler, and Manufactured Housing  
17             Commission shall find any person installing a mobile  
18             or manufactured home to be in violation of any of the  
19             provisions of this act, such person may be subject to  
20             an administrative fine of not more than Five Hundred  
21             Dollars (\$500.00) for each violation. Each day a  
22             person is in violation of this act may constitute a  
23             separate violation. All administrative fines  
24             collected pursuant to the provisions of this

1           subparagraph shall be deposited in the fund  
2           established in Section 582 of this title.  
3           Administrative fines imposed pursuant to this  
4           subparagraph may be enforceable in the district courts  
5           of this state.

6           3. Any person, except persons penalized by administrative fine,  
7 violating the provisions of this section shall, upon conviction, be  
8 punished by a fine not to exceed Five Hundred Dollars (\$500.00). A  
9 second or subsequent conviction shall be punished by a fine not to  
10 exceed One Thousand Dollars (\$1,000.00); provided that each day such  
11 unlicensed person violates this section shall constitute a separate  
12 offense, and any vehicle involved in a violation of this subsection  
13 shall be considered a separate offense.

14           B. 1. Applications for licenses required to be obtained under  
15 the provisions of the Oklahoma Used Motor Vehicle, Dismantler, and  
16 Manufactured Housing Commission shall be verified by the oath or  
17 affirmation of the applicant and shall be on forms prescribed by the  
18 Commission and furnished to the applicants, and shall contain such  
19 information as the Commission deems necessary to enable it to fully  
20 determine the qualifications and eligibility of the several  
21 applicants to receive the license or licenses applied for. The  
22 Commission shall require in the application, or otherwise,  
23 information relating to:

24           a. the applicant's financial standing,

- 1           b. the applicant's business integrity,
- 2           c. whether the applicant has an established place of
- 3           business and is engaged in the pursuit, avocation, or
- 4           business for which a license, or licenses, is applied
- 5           for,
- 6           d. whether the applicant is able to properly conduct the
- 7           business for which a license, or licenses, is applied
- 8           for, and
- 9           e. such other pertinent information consistent with the
- 10          safeguarding of the public interest and the public
- 11          welfare.

12          2. All applications for license or licenses shall be

13 accompanied by the appropriate fee or fees in accordance with the

14 schedule hereinafter provided. In the event any application is

15 denied and the license applied for is not issued, the entire license

16 fee shall be returned to the applicant.

17          3. All bonds and licenses issued under the provisions of this

18 act shall expire on December 31, following the date of issue and

19 shall be nontransferable. All applications for renewal of licenses

20 shall be submitted by November 1 of each year of expiration, and

21 licenses for completed renewals received by November 1 shall be

22 issued by January 10. If applications have not been made for

23 renewal of licenses, such licenses shall expire on December 31 and

24 it shall be illegal for any person to represent himself or herself

1 and act as a dealer thereafter. Tag agents shall be notified not to  
2 accept dealers' titles until such time as licenses have been issued.  
3 Beginning January 1, 2016, all licenses shall be issued for a period  
4 of two (2) years and the appropriate fees shall be assessed. The  
5 Commission shall adopt rules necessary to implement the two-year  
6 licensing provisions.

7 4. A certificate of registration shall permit the registered  
8 person to engage in the activities of a used motor vehicle  
9 salesperson. A salesperson shall be deemed to be temporarily  
10 approved and allowed to sell vehicles when applications and fees are  
11 on file with the Commission.

12 C. The schedule of license and inspection fees to be charged  
13 and received by the Commission for the licenses and inspections  
14 issued hereunder shall be as follows:

15 1. For each used motor vehicle dealer's license and each  
16 wholesale used motor vehicle dealer's license, Six Hundred Dollars  
17 (\$600.00). If a used motor vehicle dealer or a wholesale used motor  
18 vehicle dealer has once been licensed by the Commission in the  
19 classification for which he or she applies for a renewal of the  
20 license, the fee for each subsequent renewal shall be Three Hundred  
21 Dollars (\$300.00); provided, if an applicant holds a license to  
22 conduct business as an automotive dismantler and parts recycler  
23 issued pursuant to Section 591.1 et seq. of this title, the initial  
24 fee shall be Two Hundred Dollars (\$200.00) and the renewal fee shall

1 be Two Hundred Dollars (\$200.00). If an applicant is applying  
2 simultaneously for a license under this paragraph and a license  
3 under paragraph 1 of Section 591.5 of this title, the initial  
4 application fee shall be Four Hundred Dollars (\$400.00). For the  
5 reinstatement of a used motor vehicle dealer's license after  
6 revocation for cancellation or expiration of insurance pursuant to  
7 subsection F of this section, the fee shall be Two Hundred Dollars  
8 (\$200.00);

9 2. For a used motor vehicle dealer's license, for each place of  
10 business in addition to the principal place of business, Two Hundred  
11 Dollars (\$200.00);

12 3. For each holder who possesses a valid new motor vehicle  
13 dealer's license from the Oklahoma New Motor Vehicle Commission, Two  
14 Hundred Dollars (\$200.00) shall be the initial fee for a used motor  
15 vehicle license and the fee for each subsequent renewal shall be Two  
16 Hundred Dollars (\$200.00);

17 4. a. For each manufactured home dealer's license or a  
18 restricted manufactured home park dealer's license,  
19 Six Hundred Dollars (\$600.00), and for each place of  
20 business in addition to the principal place of  
21 business, Four Hundred Dollars (\$400.00), and

22 b. For each renewal of a manufactured home dealer's  
23 license or a restricted manufactured home park  
24 dealer's license, and renewal for each place of

1 business in addition to the principal place of  
2 business, Three Hundred Dollars (\$300.00);

3 5. a. For each manufactured home installer's license, Four  
4 Hundred Dollars (\$400.00), and

5 b. For each renewal of a manufactured home installer's  
6 license, Four Hundred Dollars (\$400.00);

7 6. a. For each manufactured home manufacturer selling  
8 directly to a licensed manufactured home dealer in  
9 this state, One Thousand Five Hundred Dollars  
10 (\$1,500.00), and

11 b. For each renewal of a manufactured home manufacturer's  
12 license, One Thousand Five Hundred Dollars  
13 (\$1,500.00);

14 7. Any manufactured home manufacturer who sells a new  
15 manufactured home to be shipped to or sited in the State of Oklahoma  
16 shall pay an installation inspection fee of Seventy-five Dollars  
17 (\$75.00) for each new single-wide manufactured home and One Hundred  
18 Twenty-five Dollars (\$125.00) for each new multi-floor manufactured  
19 home; and

20 8. A used manufactured home inspection fee of Seventy-five  
21 Dollars (\$75.00) shall be paid by the installer at or before the  
22 time of installation of any used manufactured home sited and  
23 installed in the State of Oklahoma.

24

1 D. 1. The license issued to each used motor vehicle dealer,  
2 each wholesale used motor vehicle dealer, each restricted  
3 manufactured home park dealer and each manufactured home dealer  
4 shall specify the location of the place of business. If the  
5 business location is changed, the Oklahoma Used Motor Vehicle,  
6 Dismantler, and Manufactured Housing Commission shall be notified  
7 immediately of the change and the Commission may endorse the change  
8 of location on the license. The fee for a change of location shall  
9 be One Hundred Dollars (\$100.00), and the fee for a change of name,  
10 Twenty-five Dollars (\$25.00). The license of each licensee shall be  
11 posted in a conspicuous place in the place or places of business of  
12 the licensee.

13 2. The license issued to each manufactured home installer and  
14 each manufactured home manufacturer shall specify the location of  
15 the place of business. If the business location is changed, the  
16 Oklahoma Used Motor Vehicle, Dismantler, and Manufactured Housing  
17 Commission shall be notified immediately of the change and the  
18 Commission may endorse the change of location on the license without  
19 charge. The license of each licensee shall be posted in a  
20 conspicuous place in the place or places of business of the  
21 licensee.

22 3. Every manufactured home installer shall have the license  
23 available for inspection at the primary place of business of the  
24 licensee. This license shall be valid for the licensee and all of

1 the employees of the licensee. Any person who is not an employee of  
2 the licensee must obtain a separate manufactured home installer  
3 license regardless of whether such person is acting in the capacity  
4 of a contractor or subcontractor.

5 E. 1. a. Each applicant for a used motor vehicle dealer's  
6 license shall procure and file with the Commission a  
7 good and sufficient bond in the amount of Twenty-five  
8 Thousand Dollars (\$25,000.00). Each new applicant for  
9 a used motor vehicle dealer's license for the purpose  
10 of conducting a used motor vehicle auction shall  
11 procure and file with the Commission a good and  
12 sufficient bond in the amount of Fifty Thousand  
13 Dollars (\$50,000.00). An applicant who intends to  
14 conduct a used motor vehicle auction who provides  
15 proof that the applicant has check and title insurance  
16 in an amount not less than Fifty Thousand Dollars  
17 (\$50,000.00) shall only be required to have a bond in  
18 the amount of Twenty-five Thousand Dollars  
19 (\$25,000.00).

20 b. Each new applicant for a used motor vehicle dealer  
21 license for the purpose of conducting a used motor  
22 vehicle business which will consist primarily of non-  
23 auction consignment sales which are projected to equal  
24 Five Hundred Thousand Dollars (\$500,000.00) or more in

1 gross annual sales shall procure and file with the  
2 Commission a good and sufficient bond in the amount of  
3 Fifty Thousand Dollars (\$50,000.00). The Commission  
4 shall prescribe by rule the method of operation of the  
5 non-auction consignment dealer in order to properly  
6 protect the interests of all parties to the  
7 transaction and to provide sanctions against dealers  
8 who fail to comply with the rules.

9 c. Each applicant for a wholesale used motor vehicle  
10 dealer's license shall procure and file with the  
11 Commission a good and sufficient bond in the amount of  
12 Twenty-five Thousand Dollars (\$25,000.00).

13 d. Any used motor vehicle dealer who, for the purpose of  
14 being a rebuilder, applies for a rebuilder  
15 certificate, as provided in Section 591.5 of this  
16 title, whether as a new application or renewal, shall  
17 procure and file with the Commission a good and  
18 sufficient bond in the amount of Fifteen Thousand  
19 Dollars (\$15,000.00), in addition to any other bonds  
20 required.

21 e. Each applicant for a manufactured home dealer's  
22 license or a restricted manufactured home park  
23 dealer's license shall procure and file with the  
24

1 Commission a good and sufficient bond in the amount of  
2 Thirty Thousand Dollars (\$30,000.00).

3 f. Each manufactured home manufacturing facility selling  
4 directly to a licensed manufactured home dealer or  
5 restricted manufactured home park dealer in this state  
6 shall procure and file with the Commission a good and  
7 sufficient bond in the amount of Thirty Thousand  
8 Dollars (\$30,000.00). In addition to all other  
9 conditions and requirements set forth herein, the bond  
10 shall require the availability of prompt and full  
11 warranty service by the manufacturer to comply with  
12 all warranties expressed or implied in connection with  
13 each manufactured home which is manufactured for  
14 resale or use in this state. A manufacturer may not  
15 sell, exchange, or lease-purchase with an option to  
16 own in any form a manufactured home to a person in  
17 this state directly or indirectly through a  
18 distributor or third party who is not a licensed  
19 manufactured home dealer or a restricted manufactured  
20 home park dealer.

21 g. The bond shall be approved as to form by the Attorney  
22 General and conditioned that the applicant shall not  
23 practice fraud, make any fraudulent representation, or  
24 violate any of the provisions of this act in the

1           conduct of the business for which the applicant is  
2           licensed. One of the purposes of the bond is to  
3           provide reimbursement for any loss or damage suffered  
4           by any person by reason of issuance of a certificate  
5           of title by a used motor vehicle dealer, a wholesale  
6           used motor vehicle dealer, a restricted manufactured  
7           home park dealer or a manufactured home dealer.

8           2. The bonds as required by this section shall be maintained  
9           throughout the period of licensure. Should the bond be canceled for  
10          any reason, the license shall be revoked as of the date of  
11          cancellation unless a new bond is furnished prior to such date.

12          F. Any used motor vehicle dealer or wholesale used motor  
13          vehicle dealer is required to furnish and keep in force a minimum of  
14          Twenty-five Thousand Dollars (\$25,000.00) of single liability  
15          insurance coverage on all vehicles offered for sale or used in any  
16          other capacity in demonstrating or utilizing the streets and  
17          roadways in accordance with the financial responsibility laws of  
18          this state.

19          G. Any manufactured home dealer or restricted manufactured home  
20          park dealer is required to furnish and keep in force a minimum of  
21          One Hundred Thousand Dollars (\$100,000.00) of garage liability or  
22          general liability with products and completed operations insurance  
23          coverage.

1 H. Any manufactured home installer is required to furnish and  
2 keep in force a minimum of Twenty-five Thousand Dollars (\$25,000.00)  
3 of general liability with products and completed operations  
4 insurance coverage.

5 SECTION 21. AMENDATORY 47 O.S. 2021, Section 583.1, as  
6 amended by Section 4, Chapter 107, O.S.L. 2022 (47 O.S. Supp. 2022,  
7 Section 583.1), is amended to read as follows:

8 Section 583.1 A. It shall be punishable by an administrative  
9 fine not to exceed Five Hundred Dollars (\$500.00) for any person,  
10 firm, association, corporation or trust to engage in business as, or  
11 serve in the capacity of, a used motor vehicle salesperson in this  
12 state without first obtaining a certificate of registration with the  
13 Oklahoma Used Motor Vehicle, Dismantler, and Manufactured Housing  
14 Commission. However, a person may sell used motor vehicles without  
15 obtaining a separate used motor vehicle salesperson's certificate of  
16 registration if the person has a certificate of registration from  
17 the Oklahoma New Motor Vehicle Commission to sell new or unused  
18 motor vehicles at a new motor vehicle dealer's licensed franchise  
19 location which also sells used vehicles; provided, such a person  
20 shall only be authorized to sell used motor vehicles for the dealer  
21 at the new motor vehicle dealer's licensed franchise location and to  
22 represent the new motor vehicle dealer at used motor vehicle  
23 auctions. The cost of the registration for each salesperson shall  
24 be Fifty Dollars (\$50.00) to be renewed biennially and, for a

1 transfer, Twenty-five Dollars (\$25.00). The cost of registration is  
2 to be borne by the employing entity of the salesperson. The  
3 Oklahoma Used Motor Vehicle, Dismantler, and Manufactured Housing  
4 Commission shall promulgate rules and procedures necessary for the  
5 implementation and creation of a registry of salespersons and the  
6 issuance of certificates of registration.

7 B. It shall be punishable by an administrative fine not to  
8 exceed Five Hundred Dollars (\$500.00) for any person, firm,  
9 association, corporation or trust to engage in business as, or serve  
10 in the capacity of, a manufactured home salesperson in this state  
11 without first obtaining a certificate of registration with the  
12 Oklahoma Used Motor Vehicle, Dismantler, and Manufactured Housing  
13 Commission. The cost of the registration for each salesperson shall  
14 be Fifty Dollars (\$50.00) to be renewed biennially and, for a  
15 transfer, Twenty-five Dollars (\$25.00). The cost of registration is  
16 to be borne by the employing entity of the salesperson. The  
17 Commission shall promulgate rules and procedures necessary for the  
18 implementation and creation of a registry of salespersons and the  
19 issuance of certificates of registration.

20 SECTION 22. AMENDATORY 47 O.S. 2021, Section 596.1, is  
21 amended to read as follows:

22 Section 596.1 As used in this act:

23 1. "Area of sales responsibility" means a geographical area  
24 agreed to by a dealer and the manufacturer in a dealer agreement in

1 which the dealer has the exclusive right to display or sell the new  
2 recreational vehicles of a manufacturer of a particular line-make to  
3 the public;

4 2. "Camping trailer" means a vehicular unit that is mounted on  
5 wheels and constructed with collapsible partial side walls that fold  
6 for towing by another vehicle and unfold at the campsite to provide  
7 temporary living quarters for recreational, camping or travel use;

8 3. "Commission" means the Oklahoma New Motor Vehicle  
9 Commission;

10 4. "Dealer" means any person, firm, corporation, or business  
11 entity licensed or required to be licensed pursuant to the  
12 provisions of this act to sell new recreational vehicles;

13 ~~4.~~ 5. "Dealer agreement" means a written agreement or contract  
14 entered into between a manufacturer and a dealer that establishes  
15 the legal rights and obligations of the parties to that agreement or  
16 contract and pursuant to which the dealer is authorized to sell new  
17 recreational vehicles manufactured or distributed by the  
18 manufacturer;

19 ~~5.~~ 6. "Established place of business" means a permanently  
20 enclosed building or structure, easily accessible to the public,  
21 with a paved or graveled lot for customer parking and for the  
22 showing and storage of vehicles. Established place of business  
23 shall not mean tents, temporary stands, lots, or other temporary  
24 quarters. The established place of business shall have a sign

1 visible from the outside of the business which identifies the  
2 recreational vehicle dealership. The established place of business  
3 shall have an indoor office with public areas sufficient to conduct  
4 sales transactions with customers and have restroom facilities  
5 available for the public. The established place of business shall  
6 include a service and parts area, separated from the public areas,  
7 equipped with tools, equipment, and replacement parts necessary for  
8 reasonably expected warranty and service needs;

9 ~~6.~~ 7. "Factory campaign" means an effort by a warrantor to  
10 contact recreational vehicle owners or recreational vehicle dealers  
11 in order to address an issue concerning a recreational vehicle  
12 problem, defective part or equipment;

13 ~~7.~~ 8. "Factory representative" means any officer or agent  
14 engaged as a representative of a manufacturer of recreational  
15 vehicles or a factory branch for the purpose of making or promoting  
16 the sale of recreational vehicles of the manufacturer or for  
17 supervising or contacting dealers or prospective dealers of the  
18 manufacturer;

19 ~~8.~~ 9. "Family member" means any of the following:

- 20 a. a spouse of an individual,  
21 b. a child, grandchild, parent, sibling, niece, or nephew  
22 of an individual, or  
23 c. the spouse of a child, grandchild, parent, sibling,  
24 niece, or nephew of an individual;

1        ~~9.~~ 10. "Fifth wheel trailer" means a vehicular unit mounted on  
2 wheels that is designed to provide temporary living quarters for  
3 recreational, camping or travel use of such size and weight as to  
4 not require a special highway movement permit and is designed to be  
5 towed by a motorized vehicle that contains a towing mechanism that  
6 is mounted above or forward of the rear axle of the tow vehicle;

7        ~~10.~~ 11. "Line-make" means a specific series of recreational  
8 vehicle products that meet all of the following:

- 9            a.    are identified by a common series trade name or  
10                trademark,
- 11            b.    are targeted to a particular market segment based on  
12                the decor, features, equipment, size, weight, and  
13                price range,
- 14            c.    have dimensions and interior floor plans that  
15                distinguish the recreational vehicles from  
16                recreational vehicles that have substantially the same  
17                decor, features, equipment, weight, and price,
- 18            d.    belong to a single, distinct classification of  
19                recreational vehicle product type that has a  
20                substantial degree of commonality in the construction  
21                of the chassis, frame, and body, and
- 22            e.    are authorized for sale by the dealer in the dealer  
23                agreement;

1       ~~11.~~ 12. "Manufacturer" means a person that manufactures or  
2 wholesales recreational vehicles or that distributes or wholesales  
3 recreational vehicles to dealers;

4       ~~12.~~ 13. "Motor home" means a motorized, vehicular unit designed  
5 to provide temporary living quarters for recreational, camping or  
6 travel use;

7       ~~13.~~ "~~OMVC~~" means the ~~Oklahoma Motor Vehicle Commission~~;

8       14. "Person" means an individual, partnership, corporation,  
9 limited liability company, association, trust, estate, or other  
10 legal entity;

11       15. "Proprietary part" means a recreational vehicle part  
12 manufactured by or for a manufacturer and sold exclusively by a  
13 manufacturer;

14       16. "Recreational vehicle" means a vehicle that:

15           a. is primarily designed as a vehicle that also provides  
16 temporary living quarters for noncommercial,  
17 recreational or camping use,

18           b. is built to the standards of the National Fire  
19 Protection Association for recreational vehicles,

20           c. has its own motive power or is mounted on or towed by  
21 another vehicle,

22           d. is regulated by the National Highway Traffic Safety  
23 Administration as a vehicle or vehicle equipment,

24

1 e. does not require a special highway use permit for  
2 operation on the highways, and

3 f. an individual can easily transport and set up on a  
4 daily basis.

5 Recreational vehicles includes motor homes, travel trailers, fifth  
6 wheel travel trailers, folding camping trailers and truck campers;

7 17. "Recreational vehicle salesperson" means any person who,  
8 for gain or compensation of any kind, either directly or indirectly,  
9 regularly or occasionally, by any form of agreement or arrangement,  
10 sells or negotiates for the sale of any new recreational vehicle for  
11 any new recreational vehicle dealer to any one or more third  
12 parties;

13 18. "Transient customer" means a person who:

14 a. owns a recreational vehicle,

15 b. is temporarily traveling through the area of sales  
16 responsibility of a dealer,

17 c. engages the dealer to perform service work on that  
18 recreational vehicle, and

19 d. requires repairs that relate to the safe operations of  
20 that recreational vehicle or, if not undertaken, are  
21 of a nature that would render that recreational  
22 vehicle unusable;

23 19. "Travel trailer" means a vehicular unit mounted on wheels  
24 that is designed to provide temporary living quarters for

1 recreational, camping or travel use of such size and weight as to  
2 not require a special highway movement permit when towed by a  
3 motorized vehicle;

4 20. "Truck camper" means a portable unit that is constructed to  
5 provide temporary living quarters for recreational, camping or  
6 travel use and consists of a roof, floor and sides and is designed  
7 to be loaded onto and unloaded from the back of a pickup truck; and

8 21. "Warrantor" means a manufacturer or any other person that  
9 provides a warranty to the consumer in connection with a new  
10 recreational vehicle or parts, accessories, or components of a new  
11 recreational vehicle. The term does not include a person that  
12 provides a service contract, mechanical or other insurance, or an  
13 extended warranty sold for separate consideration by a dealer or  
14 other person not controlled by a warrantor.

15 SECTION 23. AMENDATORY 47 O.S. 2021, Section 596.2, is  
16 amended to read as follows:

17 Section 596.2 A. It shall be unlawful for any person, firm,  
18 association, corporation or trust to engage in business as, or serve  
19 in the capacity of, or act as a new recreational vehicle dealer, new  
20 recreational vehicle manufacturer, new recreational vehicle factory  
21 representative or new recreational vehicle salesperson in this state  
22 without first obtaining a license or salesperson registration as  
23 provided for by law.

24

1 B. The Oklahoma New Motor Vehicle Commission ~~(OMVC)~~ shall issue  
2 new recreational vehicle dealer, manufacturer and factory  
3 representative licenses and recreational vehicle salesperson  
4 registrations upon application. The Commission shall promulgate  
5 rules and forms to implement and enforce the provisions of this  
6 section.

7 C. The schedule of license fees and salesperson registration  
8 fees to be charged and received by the ~~Oklahoma Motor Vehicle~~  
9 Commission for the licenses issued hereunder shall be as follows:

10 1. For each manufacturer or distributor of new recreational  
11 vehicles, an initial fee of Four Hundred Dollars (\$400.00) with an  
12 annual renewal fee of Three Hundred Dollars (\$300.00);

13 2. For each factory representative, an initial fee of One  
14 Hundred Dollars (\$100.00) with an annual renewal fee of One Hundred  
15 Dollars (\$100.00);

16 3. For each new motor home dealer, an initial fee of Three  
17 Hundred Dollars (\$300.00) per franchise sold at each licensed  
18 location with an annual renewal fee of One Hundred Dollars (\$100.00)  
19 per franchise sold at each licensed location;

20 4. For each fifth wheel trailer, travel trailer, camping  
21 trailer and truck camper dealer, an initial fee of Three Hundred  
22 Dollars (\$300.00) per manufacturer represented at each licensed  
23 location with an annual renewal fee of One Hundred Dollars (\$100.00)  
24 per manufacturer represented at each location; and



1           2. The manufacturer shall not change the area of sales  
2 responsibility of a dealer or establish another dealer for the same  
3 line-make in that area during the term of the dealer agreement; and

4           3. The area of sales responsibility may not be reviewed or  
5 changed without the consent of both parties until one (1) year after  
6 the execution of the dealer agreement.

7           B. A dealer may not conduct sales activity or display for sale  
8 recreational vehicles outside of its designated area of sales  
9 responsibility.

10          C. A dealer may sell off-premise within the area of sales  
11 responsibility of the dealer under the following circumstances:

12           1. At sanctioned recreational vehicle shows where the sales  
13 event is held off-premise and at least sixty-seven percent (67%) of  
14 the recreational vehicle dealers that are located within a sixty-  
15 mile radius of the location of the show participate in the show. A  
16 sanctioned recreational vehicle show may be held only under the  
17 following conditions:

18           a. the sponsoring entity of the sales event shall obtain  
19 a permit from the ~~OMVC~~ Oklahoma New Motor Vehicle  
20 Commission at the rate of Two Hundred Dollars  
21 (\$200.00) per event. The permit shall be for a period  
22 not to exceed ten (10) consecutive days,

23           b. dealer permits for a sanctioned recreational vehicle  
24 show described in this paragraph shall be obtained

1 from the ~~OMVC~~ Commission at a rate of Fifteen Dollars  
2 (\$15.00) for each motor home per sanctioned  
3 recreational vehicle show,

4 c. new recreational vehicle dealers whose manufacturer-  
5 approved area of responsibility includes the event  
6 location shall be eligible to participate in the  
7 sanctioned recreational vehicle show,

8 d. new recreational vehicle dealers shall obtain written  
9 approval from the manufacturer or distributor to  
10 participate in the sanctioned recreational vehicle  
11 show, and

12 e. the sanctioned recreational vehicle show shall be  
13 conducted within municipal, county, or state-owned or  
14 controlled facilities or within the grounds of any  
15 county, district, or state fair; and

16 2. At nonsanctioned recreational vehicle shows where one or  
17 more dealers may sell recreational vehicles off-premise under the  
18 following conditions:

19 a. dealer permits for a nonsanctioned recreational  
20 vehicle show described in this paragraph shall be  
21 obtained from the ~~OMVC~~ Commission at a rate of Fifteen  
22 Dollars (\$15.00) for each recreational vehicle per  
23 nonsanctioned recreational vehicle show,

24

- 1           b.    the location of the nonsanctioned recreational vehicle  
2                    show shall be within the manufacturer-approved area of  
3                    responsibility,
- 4           c.    the nonsanctioned recreational vehicle show shall  
5                    occur no more than five (5) consecutive days per  
6                    event, excluding county, district, or state fairs,
- 7           d.    each dealer may participate in no more than eight  
8                    nonsanctioned recreational vehicle shows per calendar  
9                    year, and
- 10          e.    nonsanctioned recreational vehicle shows shall be held  
11                    on privately owned property no closer than two and  
12                    one-half (2 1/2) miles to any other nonparticipating  
13                    recreational vehicle dealer; provided, however a  
14                    nonsanctioned recreational vehicle show may be held on  
15                    county or municipally owned property with no mileage  
16                    barrier restriction.

17          D.    A dealer may display a recreational vehicle within the  
18                    designated area of responsibility of the dealer for promotional  
19                    purposes. At an off-premise display event, no sales activities  
20                    shall be conducted including, but not limited to, negotiations,  
21                    financing and accepting credit applications. Sales or finance  
22                    personnel shall not be permitted to participate at an off-premise  
23                    display event. A permit for the off-premise display event shall not  
24                    be required.

1 E. A dealer agreement shall include a designated principal of  
2 the dealer. A dealer agreement may identify a family member as the  
3 successor of the principal or include a succession plan of the  
4 dealer. A dealer may at any time change a designation or succession  
5 plan made in the dealer agreement by providing written notice to the  
6 manufacturer.

7 SECTION 25. AMENDATORY 47 O.S. 2021, Section 596.5, is  
8 amended to read as follows:

9 Section 596.5 A. A manufacturer, directly or through any  
10 officer, agent, or employee, may terminate or not renew a dealer  
11 agreement without good cause. If the manufacturer terminates or  
12 does not renew the dealer agreement without good cause, the  
13 manufacturer shall comply with the provisions of subsections D and E  
14 of this section. If the manufacturer terminates or does not renew  
15 the dealer agreement with good cause, the provisions of subsections  
16 D and E of this section shall not apply.

17 B. A manufacturer has the burden of showing good cause for  
18 terminating or not renewing a dealer agreement. All of the  
19 following factors shall be considered in determining whether there  
20 is good cause for a proposed termination or nonrenewal of a dealer  
21 agreement by a manufacturer:

22 1. The extent of the penetration of the dealer in the relevant  
23 market area;

24

1           2. The extent and quality of the service of the dealer under  
2 recreational vehicle warranties;

3           3. The nature and extent of the investment of the dealer in  
4 business of the dealer;

5           4. The adequacy of the service facilities, equipment, parts,  
6 supplies, and personnel of the dealer;

7           5. The effect of the proposed action on the community;

8           6. Whether the dealer fails to follow agreed-upon procedures or  
9 standards related to the overall operation of the dealership; and

10          7. The performance by the dealer under the terms of dealer  
11 agreement.

12          C. Except as otherwise provided in this section, a manufacturer  
13 shall provide a dealer with written notice of a termination or  
14 nonrenewal of a dealer agreement. All of the following conditions  
15 apply to a notice described in this subsection:

16          1. Except as provided in paragraph 4 or 5 of this subsection,  
17 the manufacturer shall provide written notice at least ninety (90)  
18 days before the effective date of the termination or nonrenewal of  
19 the dealer agreement;

20          2. The notice shall state all of the reasons for the  
21 termination or nonrenewal of the dealer agreement;

22          3. The notice shall state that if the dealer provides to the  
23 manufacturer a written notification of the intent of the dealer to  
24 cure all claimed deficiencies within thirty (30) days after the

1 dealer receives the notice, the dealer shall have one hundred twenty  
2 (120) days after the date of the notice to correct the claimed  
3 deficiencies. If all of the deficiencies are corrected within the  
4 one-hundred-twenty-day time period, the notice shall be deemed void  
5 and the manufacturer shall not terminate or not renew the dealer  
6 agreement because of the claimed deficiencies stated in the notice.  
7 If the dealer does not provide a notification of intent to cure  
8 deficiencies within the thirty-day time period, the termination or  
9 nonrenewal of the dealer agreement shall take effect sixty (60) days  
10 after the dealer received the notice from the manufacturer;

11 4. A manufacturer may reduce the notice period described in  
12 paragraph 1 of this subsection from ninety (90) days to thirty (30)  
13 days and shall not be required to allow the dealer an opportunity to  
14 correct the deficiencies if the grounds for termination or  
15 nonrenewal of the dealer agreement by the manufacturer are any of  
16 the specific categories of good cause described in subsection F of  
17 this section; and

18 5. A manufacturer shall not be required to provide notice or an  
19 opportunity to correct deficiencies under this subsection if the  
20 grounds for termination or nonrenewal of the dealer agreement by the  
21 manufacturer includes one of the following:

- 22 a. the dealer becomes insolvent,
- 23 b. the dealer is bankrupt, or

24

1           c.    the dealer makes an assignment for the benefit of  
2                   creditors.

3           D.    If a manufacturer terminates or does not renew a dealer  
4 agreement for good cause under this section the dealer, at its  
5 option, may require the manufacturer to repurchase any of the  
6 following from the dealer:

7           1.    All new, untitled recreational vehicles that were acquired  
8 from the manufacturer within eighteen (18) months before the  
9 effective date of the notice of termination of the dealer agreement  
10 that have not been used, except for demonstration purposes and have  
11 not been altered or damaged, may be repurchased at one hundred  
12 percent (100%) of the net invoice cost of the recreational vehicles,  
13 including transportation, less applicable rebates and discounts to  
14 the dealer;

15           2.    All current and undamaged accessories and proprietary parts  
16 sold to the dealer for resale within the eighteen (18) months prior  
17 to the effective date of the termination of the dealer agreement  
18 that are accompanied by the original invoice may be repurchased at  
19 one hundred five percent (105%) of the original net price paid to  
20 the manufacturer to compensate the dealer for handling, packing, and  
21 shipping the accessories and parts; and

22           3.    Any properly functioning diagnostic equipment, special  
23 tools, current signage, and other equipment and machinery, purchased  
24 by the dealer within the five (5) years prior to the effective date

1 of the termination of the dealer agreement at the request of the  
2 manufacturer, if such equipment or machinery cannot be used in the  
3 normal course of the ongoing business of the dealer, may be  
4 repurchased at one hundred percent (100%) of the net cost of the  
5 dealer, plus freight, destination, delivery, and distribution  
6 charges and sales taxes.

7 E. The dealer shall promptly return or arrange for the return  
8 of all of the items the manufacturer is required to repurchase under  
9 subsection D of this section at the expense of the manufacturer.

10 F. As used in this section, "good cause" includes, but is not  
11 limited to, any of the following:

12 1. A conviction of a felony or a plea of guilty or nolo  
13 contendere to a felony by a dealer or an owner of a dealership of a  
14 crime that was committed during the time frame of the current dealer  
15 agreement; provided, there is full disclosure, in writing, of any  
16 felony conviction or plea of guilty or nolo contendere to any such  
17 felony crime that occurred within ten (10) years of entering into  
18 such dealer agreement;

19 2. Abandonment or permanent closing of the business operations  
20 of a dealer for twenty-one (21) consecutive business days without  
21 contacting the manufacturer prior to the closing unless the closing  
22 is due to an act of God, strike, labor difficulty, or other cause  
23 over which the dealer has no control;

24

1 3. A material misrepresentation to a manufacturer by a dealer  
2 that severely affects the business relationship between the dealer  
3 and the manufacturer;

4 4. Suspension or revocation of the license of a dealer or  
5 refusal to renew the license of the dealer by the ~~OMVC~~ Oklahoma New  
6 Motor Vehicle Commission;

7 5. A material violation of any of the provisions of the  
8 Recreational Vehicle Franchise Act by a dealer; or

9 6. The dealer becomes insolvent, is bankrupt, or makes an  
10 assignment for the benefit of creditors.

11 SECTION 26. AMENDATORY 47 O.S. 2021, Section 596.7, is  
12 amended to read as follows:

13 Section 596.7 The ~~OMVC~~ Oklahoma New Motor Vehicle Commission  
14 may not prohibit a dealer from selling the remaining in stock  
15 inventory of a particular line-make after a dealer agreement has  
16 been terminated or not renewed pursuant to the provisions of Section  
17 ~~7 or 8 of this act~~ 596.5 or 596.6 of this title. If recreational  
18 vehicles of a line-make are not returned or required to be returned  
19 to the manufacturer, the dealer may continue to sell all line-makes  
20 that were subject to the dealer agreement and are currently in stock  
21 until those line-makes are no longer in the dealer inventory.

22 SECTION 27. AMENDATORY 47 O.S. 2021, Section 596.8, is  
23 amended to read as follows:

24

1 Section 596.8 A. All of the following conditions shall apply  
2 to a proposed sale of the business assets, transfer of the stock, or  
3 other transaction that will result in a change of ownership of a  
4 dealer, except a transaction described in subsection B of this  
5 section:

6 1. The dealer shall provide written notice to the manufacturer  
7 at least ninety (90) days prior to the proposed closing of the  
8 transaction;

9 2. If the dealer is not in breach of the dealer agreement or in  
10 violation of the provisions of this act at the time the dealer  
11 provides the notice described in paragraph 1 of this subsection, the  
12 manufacturer shall not object to the proposed transaction, unless  
13 the prospective transferee meets one or more of the following:

14 a. the prospective transferee was previously a party to a  
15 dealer agreement with the manufacturer that the  
16 manufacturer terminated,

17 b. in the preceding ten (10) years, the prospective  
18 transferee was convicted of a felony crime or any  
19 crime of fraud, deceit or moral turpitude,

20 c. the prospective transferee does not have an  
21 application for a recreational vehicle dealer license  
22 pending with the ~~OMVC~~ Oklahoma New Motor Vehicle  
23 Commission or a tentative dealer agreement with a  
24

1 recreational vehicle manufacturer to conduct business  
2 as a dealer in this state,

3 d. the prospective transferee does not have an active  
4 line of credit sufficient to purchase recreational  
5 vehicles from the manufacturer according to the terms  
6 of the dealer agreement, or

7 e. in the preceding ten (10) years, the prospective  
8 transferee was bankrupt or insolvent, made a general  
9 assignment for the benefit of creditors, or a  
10 receiver, trustee, or conservator was appointed to  
11 take possession of the business or property of the  
12 prospective transferee;

13 3. If the manufacturer objects to the proposed transaction, the  
14 manufacturer shall give written notice of an objection, including  
15 the reasons by the manufacturer for objecting, to the dealer within  
16 thirty (30) days after receiving the notice described in paragraph 1  
17 of this subsection. If the manufacturer does not give notice of an  
18 objection within the thirty-day time period, the proposed  
19 transaction shall be considered approved by the manufacturer; and

20 4. For purposes of paragraph 3 of this subsection, the  
21 manufacturer has the burden of demonstrating why the manufacturer  
22 objects to the proposed transaction.

23 B. All of the following conditions apply concerning the death,  
24 incapacity, or retirement of the designated principal of a dealer:

1           1. The manufacturer shall provide the dealer an opportunity to  
2 designate, in writing, a family member as a successor to the dealer  
3 in the event of the death, incapacity, or retirement of the  
4 designated principal;

5           2. The manufacturer shall not prevent or refuse to honor the  
6 succession to a dealership by a family member of the deceased,  
7 incapacitated, or retired designated principal of that dealer unless  
8 the manufacturer previously provided written notice to the dealer of  
9 any objections to the succession plan of the dealer within thirty  
10 (30) days after receiving the succession plan of the dealer or any  
11 modification of the succession plan of the dealer;

12           3. Except as provided in paragraph 5 of this subsection, unless  
13 the dealer is in breach of the dealer agreement, a manufacturer  
14 shall not object to the succession to a dealership by a family  
15 member of the deceased, incapacitated, or retired designated  
16 principal, unless the successor meets one or more of the following:

17           a. in the preceding ten (10) years, the successor was  
18 convicted of a felony crime or any crime of fraud,  
19 deceit or moral turpitude,

20           b. in the preceding ten (10) years, the successor was  
21 bankrupt, insolvent, or made an assignment for the  
22 benefit of creditors,  
23  
24

- 1 c. the successor was previously a party to a dealer  
2 agreement with the manufacturer that the manufacturer  
3 terminated for a breach of a dealer agreement,  
4 d. the successor does not have an active line of credit  
5 sufficient to purchase recreational vehicles from the  
6 manufacturer according to the terms of the dealer  
7 agreement, or  
8 e. the successor does not have an application for a  
9 recreational vehicle dealer license pending with the  
10 OMVC or a tentative dealer agreement with a  
11 recreational vehicle manufacturer to conduct business  
12 as a dealer in this state;

13 4. The manufacturer has the burden of proof regarding any  
14 objection to the succession to a dealership by a family member of  
15 the deceased, incapacitated, or retired designated principal; and

16 5. The consent of the manufacturer shall be required for the  
17 succession to a dealership by a family member of the deceased,  
18 incapacitated, or retired designated principal if the succession  
19 involves a relocation of the business or an alteration of the terms  
20 and conditions of the dealer agreement.

21 SECTION 28. AMENDATORY 47 O.S. 2021, Section 596.14, is  
22 amended to read as follows:

23 Section 596.14 The Oklahoma New Motor Vehicle Commission may  
24 deny an application for a license, revoke or suspend a license,

1 impose a fine against a manufacturer or distributor in an amount not  
2 to exceed Ten Thousand Dollars (\$10,000.00) per occurrence, or  
3 impose a fine against a dealer in an amount not to exceed One  
4 Thousand Dollars (\$1,000.00) per occurrence if any provision of the  
5 Recreational Vehicle Franchise Act is violated or for any of the  
6 following reasons:

7 1. On satisfactory proof of unfitness of the applicant in any  
8 application for any license under the provisions of the Recreational  
9 Vehicle Franchise Act;

10 2. For any material misstatement made by an applicant in any  
11 application for any license under the provisions of the Recreational  
12 Vehicle Franchise Act;

13 3. For any failure to comply with any provision of the  
14 Recreational Vehicle Franchise Act or any rule promulgated by the  
15 Commission under authority vested to the ~~OMVC~~ Commission pursuant to  
16 the Recreational Vehicle Franchise Act;

17 4. A change of condition after a license is granted resulting  
18 in the failure to maintain the qualifications for a license;

19 5. Being a new recreational vehicle dealer who:

20 a. has required a purchaser of a new recreational  
21 vehicle, as a condition of sale and delivery thereof,  
22 to also purchase special features, appliances,  
23 accessories or equipment not desired or requested by  
24 the purchaser and installed by the dealer,

- 1           b.    uses any false or misleading advertising in connection  
2                   with business as a new recreational vehicle dealer or  
3                   vehicle salesperson,  
4           c.    has committed any unlawful act which resulted in the  
5                   revocation of any similar license in another state,  
6           d.    has failed or refused to perform any written agreement  
7                   with any retail buyer involving the sale of a  
8                   recreational vehicle,  
9           e.    has been convicted of a crime involving moral  
10                  turpitude,  
11           f.    has committed a fraudulent act in selling, purchasing  
12                  or otherwise dealing in new recreational vehicles or  
13                  has misrepresented the terms and conditions of a sale,  
14                  purchase or contract for sale or purchase of a new  
15                  recreational vehicle or any interest therein including  
16                  an option to purchase such vehicle,  
17           g.    has failed to meet or maintain the conditions and  
18                  requirements necessary to qualify for the issuance of  
19                  a license, or  
20           h.    has employed an unregistered new recreational vehicle  
21                  salesperson;

22       6.    Being a new recreational vehicle dealer who:

- 23           a.    does not have an established place of business,  
24

1           b. does not provide for a suitable repair shop separate  
2           from the display room with ample space to repair or  
3           recondition one or more recreational vehicles at the  
4           same time and equipped with tools, equipment, and  
5           replacement parts as may be necessary for the  
6           servicing of recreational vehicles in such a manner as  
7           to make such vehicles comply with the safety laws of  
8           this state and properly fulfill the warranty  
9           obligation of the dealer or manufacturer,

10          c. does not hold a dealer agreement in effect with a  
11          manufacturer or distributor of new or unused  
12          recreational vehicles for the sale of the same and is  
13          not authorized by the manufacturer or distributor to  
14          render predelivery preparation of such vehicles sold  
15          to purchasers and perform authorized postsale work  
16          pursuant to the warranty of the manufacturer or  
17          distributor,

18          d. employs unregistered salespersons or employs or  
19          utilizes the services of used recreational vehicle  
20          lots, dealers or other unregistered persons in  
21          connection with the sale of new recreational vehicles;

22        7. Being a factory that has:

23           a. induced or attempted to induce by means of coercion or  
24           intimidation any new recreational vehicle dealer:

- 1 (1) to accept delivery of any recreational vehicle or  
2 vehicles, parts or accessories for recreational  
3 vehicles, or any other commodities including  
4 advertising material which shall not have been  
5 ordered by the new recreational vehicle dealer,
- 6 (2) to order or accept delivery of any recreational  
7 vehicle with special features, appliances,  
8 accessories or equipment not included in the list  
9 price of the recreational vehicles as publicly  
10 advertised by the manufacturer of the  
11 recreational vehicle, or
- 12 (3) to order or accept delivery of any parts,  
13 accessories, equipment, machinery, tools,  
14 appliances or any commodity whatsoever,
- 15 b. induced under threat or discrimination by the  
16 withholding from delivery to a recreational vehicle  
17 dealer certain models of recreational vehicles,  
18 changing or amending unilaterally the allotment of  
19 recreational vehicles of a dealer or withholding and  
20 delaying delivery of such vehicles out of the ordinary  
21 course of business, in order to induce a dealer by  
22 such coercion to participate or contribute to any  
23 local or national advertising fund controlled directly  
24 or indirectly by the factory or for any other purposes

1 including contests, giveaways, other sales promotional  
2 devices, or change of quotas in any sales contest, or  
3 c. required recreational vehicle dealers, as a condition  
4 of receiving the vehicle allotment of the dealer, to  
5 order a certain percentage of the recreational  
6 vehicles with optional equipment not specified by the  
7 new recreational vehicle dealer; however, nothing in  
8 this paragraph shall prohibit a factory from  
9 supporting an advertising association which is open to  
10 all dealers on the same basis; or

11 8. Has employed unlicensed factory representatives.

12 The Commission may deny any application for license, or suspend  
13 or revoke a license issued, or impose a fine, only after a hearing  
14 for which the applicant or licensee affected shall be given at least  
15 ten (10) days' written notice specifying the reason for denying the  
16 applicant a license, or, in the case of a revocation or suspension  
17 or imposition of a fine, the offense which the licensee is alleged  
18 to have committed. The notice may be served as provided by law for  
19 the service of notices or mailing a copy by registered mail to the  
20 last-known residence or business address of the applicant or  
21 licensee. The hearing on alleged violations shall be at such time  
22 and place as the Commission may prescribe and the aforementioned  
23 notice shall further specify the time and place. If the applicant  
24 or licensee is a motor vehicle salesperson, factory representative

1 or distributor representative, the Commission shall in like manner  
2 additionally notify the person, firm, association, corporation or  
3 trust with whom he or she is associated, or in whose association he  
4 or she is about to enter. The Commission shall have the power to  
5 compel the production of all records, papers and other documents  
6 which may be deemed relevant to the proceeding bearing upon the  
7 complaints. The Commission shall have the power to subpoena and  
8 bring before it any person, or take testimony of any person by  
9 deposition, with the same fees and mileage and in the same manner as  
10 prescribed in the proceedings before courts of the state in civil  
11 cases. Any party to the hearing shall have the right to the  
12 attendance of witnesses on his or her behalf upon designating to the  
13 Commission the person or persons sought to be subpoenaed.

14 SECTION 29. AMENDATORY 47 O.S. 2021, Section 596.15, is  
15 amended to read as follows:

16 Section 596.15 A. A dealer, manufacturer, or warrantor injured  
17 by another party who has violated a provision of this act may bring  
18 a civil action in court for the recovery of actual damages. The  
19 court shall award attorney fees and costs to the prevailing party in  
20 a civil action under this section.

21 B. Venue for a civil action filed pursuant to this section  
22 shall be the county in which the business of the dealer is located.  
23 In an action involving more than one dealer, any county in which the  
24

1 business of any dealer that is party to the action is located is a  
2 proper venue for that action.

3 C. Before bringing a civil action under this section, the party  
4 bringing suit for an alleged violation of this act shall serve a  
5 written demand for mediation on the offending party. The demand for  
6 mediation shall include a brief statement of the dispute and the  
7 relief sought by the party making the demand. The party making the  
8 demand for mediation shall serve the demand by certified mail to one  
9 of the following addresses:

10 1. In an action between a dealer and a manufacturer, the  
11 address stated in the dealer agreement between the parties;

12 2. In an action between a dealer and a warrantor that is not a  
13 manufacturer, the address stated in any agreement between the  
14 parties; or

15 3. In an action between two dealers, the address of the  
16 offending dealer in the records of the ~~OMVC~~ Oklahoma New Motor  
17 Vehicle Commission.

18 D. Within twenty (20) days after a demand for mediation is  
19 served under subsection C of this section, the parties shall  
20 mutually select an independent mediator who is approved by the ~~OMVC~~  
21 Commission, and meet with that mediator for the purpose of  
22 attempting to resolve the dispute at a location in this state  
23 selected by the mediator. The mediator may extend the date of the  
24

1 meeting for good cause shown by either party or if the parties agree  
2 to the extension.

3 E. The service of a demand for mediation under subsection C of  
4 this section tolls the time for the filing of any complaint,  
5 petition, protest, or other action under this act until  
6 representatives of both parties have met with the mediator selected  
7 pursuant to subsection D of this section for the purpose of  
8 attempting to resolve the dispute. If a complaint, petition,  
9 protest, or other action is filed before that meeting, the court  
10 shall enter an order suspending the proceeding or action until the  
11 mediation meeting has occurred and may, if all of the parties to the  
12 proceeding or action stipulate in writing that they wish to continue  
13 to mediate under this section, enter an order suspending the  
14 proceeding or action for as long a period as the court considers  
15 appropriate. The court may modify, extend, or revoke a suspension  
16 order issued under this subsection if it considers that action  
17 appropriate.

18 F. Each of the parties to the mediation under this section is  
19 responsible for its own attorney fees. The parties shall equally  
20 divide the cost of the mediator.

21 SECTION 30. AMENDATORY 47 O.S. 2021, Section 596.16, is  
22 amended to read as follows:

23 Section 596.16 A. In addition to any remedy available under  
24 the provisions of this act or otherwise available by law, a

1 manufacturer, warrantor, or dealer may apply to the court for the  
2 grant, after a hearing and for cause shown, of a temporary or  
3 permanent injunction or other equitable relief restraining any  
4 person from doing any of the following:

5 1. Acting as a dealer without a proper license;

6 2. Violating or continuing to violate the provisions of this  
7 act. A single violation of the provisions of this act shall be a  
8 sufficient basis for the court to grant equitable relief under this  
9 section; or

10 3. Failing or refusing to comply with any requirement of the  
11 provisions of this act.

12 B. The court may not require a bond as a condition to the grant  
13 of equitable relief under this section.

14 C. If, on January 1, 2011, a dealership does not meet the  
15 requirements of the definition of established place of business as  
16 defined in Section ~~3 of this act~~ 596.1 of this title, the dealership  
17 shall be eligible for licensing by the ~~OMVC~~ Oklahoma New Motor  
18 Vehicle Commission for that location. If the dealership moves the  
19 dealership to a new location, the new dealership shall comply with  
20 the requirements of the definition of established place of business  
21 as defined in Section ~~3 of this act~~ 596.1 of this title.

22 SECTION 31. AMENDATORY 47 O.S. 2021, Section 1116.1, is  
23 amended to read as follows:

24

1           Section 1116.1 A license plate or decal bearing an expiration  
2 date of four (4) months from the date of registration shall be  
3 issued for a vehicle registered in the name of a manufacturer or  
4 dealer of new motor vehicles. Such license plate or decal shall be  
5 issued if the vehicle so registered is exempt from the vehicle  
6 excise tax pursuant to the provisions of ~~subsection (k)~~ paragraph 12  
7 of Section 2105 of Title 68 of the Oklahoma Statutes. It shall be  
8 unlawful for any person other than a manufacturer, licensed dealer,  
9 person contemplating purchase of the vehicle or person holding a  
10 valid salesman's license issued by the Oklahoma New Motor Vehicle  
11 Commission to operate the vehicle after the expiration of the  
12 four-month registration period.

13           SECTION 32.           AMENDATORY           47 O.S. 2021, Section 1128, as  
14 amended by Section 142, Chapter 282, O.S.L. 2022 (47 O.S. Supp.  
15 2022, Section 1128), is amended to read as follows:

16           Section 1128. A. Every person manufacturing or having a  
17 contract to sell new vehicles in this state shall file a verified  
18 application for a general distinctive number for all new vehicles  
19 owned or controlled by the manufacturer or dealer; provided, Service  
20 Oklahoma shall issue a license to sell such new motor vehicles only  
21 for those types of new vehicles for which the applicant has a sales  
22 contract or franchise; provided, further, that no license shall be  
23 issued to any applicant that has not complied with the provisions of  
24 Sections 561 through 568 of this title and does not hold a current

1 license issued by the Oklahoma New Motor Vehicle Commission pursuant  
2 thereto. A separate manufacturer's or dealer's license shall be  
3 required for each separate county within which such manufacturer or  
4 dealer has an established place of business and upon payment of a  
5 license fee of Ten Dollars (\$10.00) there shall be assigned and  
6 issued to such manufacturer or dealer a Certificate of Registration  
7 and one license plate which shall be displayed upon each vehicle of  
8 such manufacturer or dealer when same is operated, driven, or  
9 displayed on any street, road, or highway, in the same manner as  
10 hereinbefore provided for vehicles owned by other persons. Such a  
11 manufacturer or dealer in new vehicles may obtain as many additional  
12 license plates as may be desired, upon the payment of the sum of Ten  
13 Dollars (\$10.00) for each additional plate; provided that no such  
14 license plate issued to any manufacturer or dealer shall be used or  
15 displayed upon any secondhand or used vehicle, or upon any new  
16 vehicle which is used for a service car, or private use, or for  
17 hire. Any person, with consent of the dealer, may operate a motor  
18 vehicle, with the dealer's tag affixed, while contemplating  
19 purchase, so long as this intent is limited to a consecutive  
20 seventy-two-hour period, or a weekend. An individual holding a  
21 valid salesman's license issued by the Oklahoma New Motor Vehicle  
22 Commission shall not be subject to this limitation. If such person  
23 also buys and sells used vehicles, he or she shall, after obtaining  
24 his or her new motor vehicle dealer's license from the Oklahoma New

1 Motor Vehicle Commission, also obtain a used motor vehicle dealer's  
2 license, from the Oklahoma Used Motor Vehicle and Parts, Dismantler,  
3 and Manufactured Housing Commission, the cost of which shall be as  
4 prescribed in Section 1101 et seq. of this title.

5 B. Each dealer and used motor vehicle dealer shall keep a  
6 record of the purchase and sale of each motor vehicle he or she buys  
7 or sells, which shall show the name of the seller or buyer as the  
8 case may be, and a complete description of the vehicle purchased or  
9 sold, and such other information as Service Oklahoma may prescribe.

10 C. Application for manufacturer's or dealer's license must show  
11 that such dealer or manufacturer has not violated any of the  
12 provisions of this section; and such license shall be nonassignable;  
13 and any such license may be suspended temporarily or revoked by  
14 Service Oklahoma for violation or failure to comply with this  
15 section; provided, the holder of such license shall be given ten  
16 (10) days' notice of hearing to suspend or cancel such license. If  
17 any such person subject to any of the licenses required in this  
18 section fails to obtain it when due, a penalty of twenty-five cents  
19 (\$0.25) per day on each such license shall be charged in the same  
20 manner as is now provided on delinquent motor vehicle registrations,  
21 and after a period of thirty (30) days such penalty shall be equal  
22 to the license fee. It shall be the duty of every person licensed  
23 to sell new or used motor vehicles to advise each purchaser in  
24 writing about his or her title requirements and payment of any taxes

1 due. Each used motor vehicle must display a proper Oklahoma license  
2 plate or a used dealer's license plate.

3 D. Every person engaged in the business of transporting and  
4 delivering new or used vehicles by driving, either singly or by  
5 towbar, saddle mount or full mount method, engaging in drive-away  
6 operations as defined in Section 3 of Title 85 of the Oklahoma  
7 Statutes, or any combination thereof, from the manufacturer or  
8 shipper to the dealer or consignee and using the public highways of  
9 this state shall file with Service Oklahoma a verified application  
10 for in-transit license plates to identify such vehicles. The  
11 application shall provide for a general distinctive number for all  
12 vehicles so transported. Upon payment of a license fee of Ten  
13 Dollars (\$10.00) there shall be assigned and issued to such person  
14 one in-transit plate. Such in-transit plate shall be used by such  
15 person only on vehicles when so transported. Such person may obtain  
16 as many additional in-transit plates as desired upon payment of a  
17 fee of Ten Dollars (\$10.00) for each additional plate. Provided, a  
18 used motor vehicle dealer shall use a used dealer license plate in  
19 lieu of the in-transit license plate for transporting a used motor  
20 vehicle and, in such cases, shall be exempt from making application  
21 for an in-transit license plate. Provided further, only a person  
22 who possesses a valid motor carrier authority issued by the Federal  
23 Motor Carrier Safety Administration, or a valid for-hire authority  
24 issued by the Corporation Commission may use the in-transit license

1 plates obtained by them as herein authorized for transporting new or  
2 used manufactured homes from one location to another location within  
3 Oklahoma or from a point in another state to a point in this state.  
4 Nothing contained in this section shall relieve any person from the  
5 payment of license fees otherwise provided by law. When Service  
6 Oklahoma deems it advisable and in the public interest, it may  
7 require the holder of any in-transit license, or any person making  
8 application therefor, to file a proper surety bond in any amount it  
9 deems proper, not to exceed Ten Thousand Dollars (\$10,000.00).

10 E. Service Oklahoma shall issue dealer licenses to new and used  
11 manufactured home dealers, new and used travel trailer dealers and  
12 new and used commercial trailer dealers.

13 F. All licenses provided for in this section shall expire on  
14 December 31 of each year.

15 SECTION 33. AMENDATORY 47 O.S. 2021, Section 1137.3, as  
16 amended by Section 172, Chapter 282, O.S.L. 2022 (47 O.S. Supp.  
17 2022, Section 1137.3), is amended to read as follows:

18 Section 1137.3 The purchaser of every new motor vehicle, travel  
19 trailer or commercial trailer shall register or license the same  
20 within thirty (30) days from the date of purchase. It shall be the  
21 responsibility of the selling dealer to place a temporary license  
22 plate, in size similar to the permanent Oklahoma license plate but  
23 of a weatherproof plastic-impregnated substance approved by the  
24 Oklahoma New Motor Vehicle Commission, upon a new motor vehicle,

1 travel trailer or commercial trailer when a transaction is completed  
2 for the sale of said vehicle or trailer. Except for cab and chassis  
3 trucks, the temporary license plate under this section shall be  
4 placed at the location provided for the permanent motor vehicle  
5 license plate. The purchaser of a new cab and chassis truck may  
6 place the temporary license plate under this section in the rear  
7 window. Said temporary license plate shall show the dealer's  
8 license number which is issued to him or her each year by Service  
9 Oklahoma, the date the new motor vehicle, travel trailer or  
10 commercial trailer was purchased and the company name of the selling  
11 dealer. The ~~Oklahoma Motor Vehicle~~ Commission is hereby directed to  
12 develop a temporary license plate design to incorporate these  
13 requirements in a manner that will permit law enforcement personnel  
14 to readily identify the dealer license number and date of the  
15 vehicle purchase. The ~~Motor Vehicle~~ Commission is further  
16 authorized to develop additional requirements and parameters  
17 designed to discourage or prevent illegal duplication and use of the  
18 temporary license plate. On or before thirty (30) days from the  
19 date of purchase of a new motor vehicle, travel trailer or  
20 commercial trailer, said temporary license plate shall be removed  
21 and replaced with a permanent, current Oklahoma license plate. Use  
22 of said temporary license plate by a licensed dealer for other than  
23 the purpose of normally doing business shall constitute grounds for  
24 revocation of the dealer's license.

1 It shall be unlawful for any licensed dealer of new motor  
2 vehicles, travel trailers or commercial trailers to procure the  
3 registration and licensing of any new motor vehicle, travel trailer  
4 or commercial trailer sold by such licensed dealer or to act as the  
5 agent for such purchaser in the procurement of said registration and  
6 licensing. The license of any licensed dealer of new motor  
7 vehicles, travel trailers or commercial trailers violating the  
8 provisions of this section shall be revoked.

9 SECTION 34. AMENDATORY 62 O.S. 2021, Section 155, is  
10 amended to read as follows:

11 Section 155. A. There is hereby created in the State Treasury  
12 a revolving fund for each of the following state boards, commissions  
13 and departments:

- 14 1. The Board of Governors of the Licensed Architects, Landscape  
15 Architects and Registered Interior Designers of Oklahoma;
- 16 2. Oklahoma Funeral Board;
- 17 3. Board of Podiatric Medical Examiners;
- 18 4. Board of Chiropractic Examiners;
- 19 5. State Board of Registration for Foresters;
- 20 6. State Board of Medical Licensure and Supervision;
- 21 7. Oklahoma Board of Nursing;
- 22 8. State Board of Osteopathic Examiners;
- 23 9. State Board of Pharmacy;
- 24 10. State Board of Licensed Social Workers;

- 1 11. Oklahoma New Motor Vehicle Commission;
- 2 12. Oklahoma Peanut Commission;
- 3 13. Oklahoma Real Estate Commission; and
- 4 14. Santa Claus Commission.

5 B. Each revolving fund shall consist of all monies received by  
6 the boards, commissions and departments, pursuant to statutory  
7 authority, but not including appropriated funds. These revolving  
8 funds shall be continuing funds, not subject to fiscal year  
9 limitations and shall be under the control and management of the  
10 administrative authorities of the respective boards, commissions or  
11 departments.

12 C. Expenditures from the revolving funds shall be made pursuant  
13 to the laws of the state and the statutes relating to said boards,  
14 commissions and departments, and without legislative appropriation.  
15 Warrants for expenditures from said revolving funds shall be drawn  
16 by the State Treasurer, based on claims signed by an authorized  
17 employee or employees of the respective boards, commissions or  
18 departments and approved for payment by the Director of the Office  
19 of Management and Enterprise Services.

20 SECTION 35. AMENDATORY 74 O.S. 2021, Section 3601.1, as  
21 amended by Section 24, Chapter 107, O.S.L. 2022 (74 O.S. Supp. 2022,  
22 Section 3601.1), is amended to read as follows:

23 Section 3601.1 A. For purposes of Sections 3601.1 through 3603  
24 of this title, the term "employee" means a full-time employee or any

1 number of part-time employees whose combined weekly hours of  
2 employment equal those of a full-time employee, but shall not  
3 include temporary employees working on a seasonal basis between May  
4 1 and October 31.

5 B. Beginning July 1, 2008, the maximum number of full-time-  
6 equivalent employees for each of the following agencies, boards,  
7 commissions, departments, or programs shall not exceed the numbers  
8 specified in this section, except as may be authorized pursuant to  
9 the provisions of Section 3603 of this title.

	MAXIMUM NUMBER OF FULL-TIME-EQUIVALENT EMPLOYEES
Oklahoma Employment Security Commission	1150
Oklahoma Accountancy Board	11
Board of Governors of the Licensed Architects, Landscape Architects and Registered Interior Designers of Oklahoma	4
Board of Chiropractic Examiners	3
State Board of Cosmetology and Barbering	16
Board of Dentistry	10
Oklahoma State Board of Embalmers and Funeral Directors	5
State Board of Licensure for Professional Engineers and Land Surveyors	10

1	State Board of Medical Licensure and Supervision/ Board of Podiatric Medical Examiners/State Board of Examiners of Perfusionists	29
4	Oklahoma Energy Resources Board	5
5	Oklahoma <u>New</u> Motor Vehicle Commission	6
6	Oklahoma Board of Nursing	35
7	Oklahoma State Board of Examiners for Long-Term Care Administrators	4
9	Board of Examiners in Optometry	3
10	State Board of Osteopathic Examiners	7
11	Oklahoma State Board of Pharmacy	15
12	State Board of Examiners of Psychologists	2
13	Oklahoma Real Estate Commission	26
14	Board of Examiners for Speech-Language Pathology and Audiology	2
16	Oklahoma Used Motor Vehicle, Dismantler, and Manufactured Housing Commission	15
18	State Board of Veterinary Medical Examiners	6
19	Oklahoma Firefighters Pension and Retirement System	13
21	Oklahoma Police Pension and Retirement System	12
22	Teachers' Retirement System of Oklahoma	52
23	Oklahoma Public Employees Retirement System	63
24	Oklahoma Student Loan Authority	85

1	Oklahoma Industrial Finance Authority/Oklahoma	
2	Development Finance Authority	10
3	State and Education Employees Group Insurance	
4	Board	178
5	Oklahoma Capital Investment Board	4
6	State Board of Licensed Social Workers	1
7	Oklahoma State Employees Benefits Council	38
8	Oklahoma State Banking Department	46
9	Liquefied Petroleum Gas Administration	10
10	C. The duties and compensation of employees, not otherwise	
11	prescribed by law, necessary to perform the duties imposed upon the	
12	Oklahoma Public Employees Retirement System Board of Trustees by law	
13	shall be set by the Board of Trustees.	
14	D. Temporary employees of the Oklahoma Used Motor Vehicle,	
15	Dismantler, and Manufactured Housing Commission between the dates of	
16	November 1 and January 31 annually shall not be counted toward the	
17	maximum number of full-time-equivalent employees provided for in	
18	this section.	
19	SECTION 36. REPEALER	47 O.S. 2021, Section 1128, as
20	amended by Section 21, Chapter 107, O.S.L. 2022 (47 O.S. Supp. 2022,	
21	Section 1128), is hereby repealed.	
22	SECTION 37. This act shall become effective November 1, 2023.	
23	COMMITTEE REPORT BY: COMMITTEE ON BUSINESS AND COMMERCE	
24	April 10, 2023 - DO PASS	