

SENATE BILL NO. 341

INTRODUCED BY B. USHER

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING LAWS RELATED TO RECREATIONAL VEHICLES; ALLOWING OFF-SITE DISPLAYS AND SALES IN CERTAIN LOCATIONS FOR CERTAIN MOTOR VEHICLES; DEFINING "MOTOR VEHICLES"; AND AMENDING SECTION 61-4-123, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 61-4-123, MCA, is amended to read:

"61-4-123. Dealer requirements and restrictions. (1) A used dealer may not sell a new motor vehicle, a new power sports vehicle, or a new trailer.

(2) A dealer may not display at the dealer's established place of business or any approved off-premises sale location a motor vehicle offered for sale, trade, or consignment unless the Monroney label required for new motor vehicles pursuant to 15 U.S.C. 1232 or the buyer's guide label required for used motor vehicles pursuant to 16 CFR, part 455, is affixed to the side window of the motor vehicle or is conspicuously displayed within the motor vehicle in a fashion that is readily readable by a customer.

(3) (a) Except as provided in subsection (4), a dealer may not sell or display a motor vehicle, power sports vehicle, or trailer offered for sale at any geographic location other than that of the dealer's established place of business as listed on the dealer's license.

(b) A dealer may park a motor vehicle in a storage lot if:

- (i) local zoning regulations permit that type of use;
(ii) the lot is in the county where the dealer's established place of business is located;
(iii) the dealer does not sell or advertise the sale of the motor vehicle at the lot; and
(iv) if applicable, the placement of the motor vehicle complies with the dealer's franchise

agreement.

(4) (a) Upon ~~upon~~ prior notice to the department, a dealer may conduct an off-premises display and sale at a geographic location other than that of the dealer's established place of business as listed on the

1 dealer's license if the dealer obtains a permit from the department. The department may require proof from the
2 dealer that the location proposed for the off-premises display and sale is in compliance with local zoning
3 ordinances. An off-premises display and sale must be conducted within the county of the dealer's licensed
4 location unless the off-premises display and sale are restricted to recreational vehicles or power sports
5 vehicles. A new ~~motor vehicle~~ recreational vehicle, boat, or powersports dealer whose area of responsibility
6 under the dealer's franchise agreement includes a county different from the county in which the dealer's
7 established place of business is located may conduct an off-premises display and sale, subject to the
8 agreement, in the other county if there is no other new ~~motor vehicle~~ recreational vehicle, boat, or powersports
9 dealer with an established place of business in that county. The display and sale authorized by this subsection
10 (4)(a) may not exceed 10 consecutive days, and a licensed dealer may not conduct more than 10 off-premises
11 displays and sales during any 1 calendar year.

12 (b) A dealer may display one or more motor vehicles, power sports vehicles, or trailers inside an
13 airport terminal or shopping mall without obtaining an off-premises display and sale permit if no actual sales are
14 made, or could be made, at the terminal or mall.

15 (c) ~~Upon~~On prior written notice to the department, a dealer may display one motor vehicle, power
16 sports vehicle, or trailer at a geographic location other than that of the dealer's established place of business as
17 listed on the dealer's license if no actual sales are made, or could be made, at the display location and the
18 display:

19 (i) conspicuously promotes or supports an event or a program sponsored by a nonprofit
20 corporation or association organized and operated exclusively for religious, charitable, scientific, or educational
21 purposes and the motor vehicle, power sports vehicle, or trailer is displayed at a location where the event is
22 being held or the program is being promoted; or

23 (ii) conspicuously promotes a joint commercial endeavor between the dealer and another clearly
24 identified business entity and the motor vehicle, power sports vehicle, or trailer is displayed on premises owned
25 or leased by the other business entity and where the other entity regularly conducts its business. A display
26 under this subsection (4)(c)(ii) may not exceed 90 days in a calendar year.

27 (5) If more than one dealer displays motor vehicles, power sports vehicles, or trailers at the same
28 geographic location as another dealer's established place of business, each dealer shall ensure that all records,

1 office facilities, and inventory, if applicable, are physically segregated from those of the other dealer and clearly
2 identified and attributed to the appropriate dealer.

3 (6) A dealer shall install and maintain telephone service at the dealer's established place of
4 business. The telephone service must be listed in the directory assistance that applies to the area in which the
5 business is located, or if a cellular service is used, the dealer's cell phone number must be posted at the
6 dealer's established place of business.

7 (7) A dealer shall conspicuously post at the dealer's established place of business written notice
8 indicating the regular and customary office hours maintained by the dealer.

9 (8) (a) A dealer shall carry and continuously maintain a general liability insurance policy that
10 covers any motor vehicle bearing a set of dealer plates or a demonstrator plate and any power sports vehicle
11 displaying a dealer's identification card that is offered for demonstration or loan to a customer or that otherwise
12 may be operated by a customer in the regular course of the dealer's business operations.

13 (b) A dealer shall ensure that the department is named as a certificate holder on any general
14 liability insurance policy held by the dealer, that the minimum term of the policy is 1 year, and that a lapse of
15 insurance does not occur as a result of cancellation or termination of a previously certified policy.

16 (c) This subsection (8) does not relieve a dealer of the mandatory motor vehicle liability insurance
17 obligation imposed under chapter 6 of this title.

18 (9) A dealer shall display at the dealer's established place of business at least one sign stating the
19 name of the business and indicating that motor vehicles, power sports vehicles, or trailers are offered for sale,
20 trade, or consignment. The letters of the sign must be at least 6 inches in height and clearly visible and
21 readable to the major avenue of traffic at a minimum distance of 150 feet.

22 (10) As used in this section, "motor vehicle" means:

23 (a) a recreational vehicle as defined in 61-1-101(61);

24 (b) a motorboat and a personal watercraft as defined in 23-2-502;

25 (c) a snowmobile as defined in 23-2-601; and

26 (d) an off-highway vehicle as defined in 23-2-801."

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