

TRANSPORTATION

FILED JAN 25 2000

SENATE FILE

2038

BY HARPER

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
 Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
 Approved \_\_\_\_\_

**A BILL FOR**

1 An Act providing for education requirements for motor vehicle  
 2 dealers and providing penalties.  
 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 2038  
 TRANSPORTATION

1 Section 1. Section 322.4, Code 1999, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 8A. Proof that the applicant has met the  
4 motor vehicle dealer course requirements in section 322.4A  
5 relating to initial licensure.

6 Sec. 2. NEW SECTION. 322.4A MOTOR VEHICLE DEALER  
7 EDUCATION REQUIREMENTS.

8 1. The department shall not initially license a person as  
9 a motor vehicle dealer unless the person has completed an  
10 eight-hour course for motor vehicle dealers endorsed by the  
11 Iowa independent automobile dealers association or the Iowa  
12 automobile dealers association and has met all other  
13 requirements for licensure. A person applying for licensure  
14 as a motor vehicle dealer shall include proof of completion of  
15 such course with the person's application as provided in  
16 section 322.4.

17 2. A licensed motor vehicle dealer who has been licensed  
18 for a year or more shall annually complete four hours of in-  
19 service training which is endorsed by the Iowa independent  
20 automobile dealers association. The dealer shall submit proof  
21 of such training to the department in the form prescribed by  
22 the department within sixty days of the second and each  
23 subsequent anniversary of the motor vehicle dealer's initial  
24 licensure.

25 3. The following persons are required to comply with the  
26 education requirements of subsections 1 and 2:

27 a. If a motor vehicle dealer applicant or licensee is an  
28 individual, the individual.

29 b. If a motor vehicle dealer applicant or licensee is a  
30 partnership, each partner of the partnership.

31 c. If a motor vehicle dealer applicant or licensee is a  
32 corporation, the president and vice president of the  
33 corporation.

34 4. The department may deny license renewal to or suspend  
35 the license of a motor vehicle dealer who fails to comply with

1 subsection 2. The department shall provide for notice and  
2 hearing pursuant to section 322.9 for any license suspension  
3 under this subsection. The penalty provisions of section  
4 322.14 shall not apply to violations of this section.  
5 5. The department shall adopt rules to administer and  
6 enforce this section.

7 EXPLANATION

8 This bill creates new Code section 322.4A, requiring  
9 applicants for motor vehicle dealer licenses and motor vehicle  
10 dealer licensees to complete education and in-service training  
11 requirements in order to be licensed. The education and  
12 training must be endorsed by the Iowa independent automobile  
13 dealers association or the Iowa automobile dealers  
14 association.

15 The bill provides that an applicant for a motor vehicle  
16 dealer license must submit proof of completion of an initial  
17 eight-hour course for motor vehicle dealers to the state  
18 department of transportation with the application for  
19 licensure. Failure to comply with this requirement is grounds  
20 for denial of licensure.

21 Motor vehicle dealers who have been licensed for a year or  
22 more must annually submit proof of completion of four hours of  
23 in-service training to the department. Failure to comply with  
24 this requirement is grounds for denial of renewal or  
25 suspension of a motor vehicle dealer's license.

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