

1 **SENATE FLOOR VERSION**

2 April 24, 2025

3 COMMITTEE SUBSTITUTE
FOR ENGROSSED
4 HOUSE BILL NO. 1789

By: Kerbs of the House

5 and

6 Frix of the Senate

7

8

9 An Act relating to motor vehicles; amending 47 O.S.
10 2021, Section 596.3, as amended by Section 23,
11 Chapter 29, O.S.L. 2023 (47 O.S. Supp. 2024, Section
12 596.3), which relates to dealer sales responsibility;
13 disallowing certain activity at private off-premises
14 sales events outside certain area; authorizing
15 certain sales at certain events under certain
16 conditions; detailing conditions for sales activity
17 or display at certain events; authorizing certain
18 activities at certain private events under certain
19 conditions; detailing conditions for certain
20 activities; and providing an effective date.

21

22

23

24

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

SECTION 1. AMENDATORY 47 O.S. 2021, Section 596.3, as
amended by Section 23, Chapter 29, O.S.L. 2023 (47 O.S. Supp. 2024,
Section 596.3), is amended to read as follows:

Section 596.3. A. All of the following conditions shall apply
to the area of sales responsibility of a dealer included in a dealer
agreement between a manufacturer and a dealer:

1 1. The manufacturer shall designate in the dealer agreement the
2 area of sales responsibility exclusively assigned to the dealer;

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

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

9 4. The areas within municipal, county, or state-owned or -
10 controlled facilities or within the grounds of any county, district,
11 or state fair shall be exempt from manufacturer-designated areas of
12 sales responsibility, only for the purposes of sponsored off-
13 premises sales events.

14 B. A dealer promoting its own private off-premises sales event,
15 wherein that dealer is the sole participating dealer, shall not
16 conduct sales activity or display for sale recreational vehicles
17 outside of its designated manufacturer-designated area of sales
18 responsibility.

19 C. A dealer participating in a sponsored off-premises sales
20 event with other participating dealers may sell off-premises within
21 conduct sales activity or display for sale recreational vehicles
22 inside or outside the area of sales responsibility of the dealer
23 under the following circumstances:.

1 1. At sanctioned recreational vehicle shows where the sales
2 event is held off premises and at least sixty seven percent (67%) of
3 the recreational vehicle dealers that are located within a sixty
4 mile radius of the location of the show participate in the show. A
5 sanctioned A sponsored recreational vehicle show may be held only
6 under the following conditions:

- 7 a. the sponsoring entity of the sales event shall obtain
8 a permit from the Oklahoma New Motor Vehicle
9 Commission at the rate of Two Hundred Dollars
10 (\$200.00) per event. The permit shall be for a period
11 not to exceed ten (10) consecutive days,
- 12 b. dealer permits for a ~~sanctioned~~ sponsored recreational
13 vehicle show described in this paragraph shall be
14 obtained from the Commission at a rate of Fifteen
15 Dollars (\$15.00) for each ~~motor home per sanctioned~~
16 recreational vehicle at the show,
- 17 c. ~~new recreational vehicle dealers whose manufacturer-~~
18 ~~approved area of responsibility includes the event~~
19 location shall be eligible to participate in the
20 sanctioned recreational vehicle show a dealer
21 participating in a sponsored off-premises sales show
22 shall not be denied a permit on the grounds that the
23 promotion is to be held within the relevant market
24 area of another dealer of the same-line make,

- 1 d. new recreational vehicle dealers shall obtain written
2 approval from the manufacturer or distributor to
3 participate in the ~~sanctioned~~ sponsored recreational
4 vehicle show, and
5 e. the ~~sanctioned~~ sponsored recreational vehicle show
6 shall be conducted within municipal, county, or state-
7 owned or ~~controlled~~ -controlled facilities or within
8 the grounds of any county, district, or state fair,
9 and.

10 2. ~~At nonsanctioned~~ A private recreational vehicle ~~shows~~ show

11 where ~~only one or more dealers~~ dealer may sell recreational vehicles
12 off-premises may be held under the following conditions:

- 13 a. dealer permits for a ~~nonsanctioned~~ private
14 recreational vehicle show described in this paragraph
15 shall be obtained from the Commission at a rate of
16 Fifteen Dollars (\$15.00) for each recreational vehicle
17 per ~~nonsanctioned recreational vehicle~~ at the show,
18 b. the location of the ~~nonsanctioned~~ private recreational
19 vehicle show shall be within the manufacturer-approved
20 area of responsibility,
21 c. the ~~nonsanctioned~~ private recreational vehicle show
22 shall occur no more than five (5) consecutive days per
23 event, excluding county, district, or state fairs,

- 1 d. each dealer may participate in no more than eight
2 ~~nonsanctioned~~ private recreational vehicle shows per
3 calendar year, and
4 e. ~~nonsanctioned~~ private recreational vehicle shows shall
5 be, if held on privately owned property, shall be no
6 closer than two and one-half (2 1/2) miles to any
7 other ~~nonparticipating~~ recreational vehicle dealer;
8 provided, however, a ~~nonsanctioned~~ private
9 recreational vehicle show may be held on county or
10 municipally owned property with no mileage barrier
11 restriction,
12 f. a dealer shall obtain written approval from the
13 manufacturer or distributor to participate in a
14 private recreational vehicle show, and
15 g. the sponsoring entity of the private sales event must
16 provide written permission for the dealer to conduct
17 the event on the sponsor's property.

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

1 display event. A permit for the off-premises display event shall
2 not be required.

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

9 SECTION 2. This act shall become effective November 1, 2025.

10 COMMITTEE REPORT BY: COMMITTEE ON BUSINESS AND INSURANCE
April 24, 2025 - DO PASS AS AMENDED BY CS

11

12

13

14

15

16

17

18

19

20

21

22

23

24