§901. Application

1. Application. A dealer shall apply for a license by filing with the Secretary of State an application in the form prescribed by the Secretary of State and by paying the necessary fee.
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

2. Contents. An application must contain the following:

A. The applicant's name, type of business organization and place of business; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

B. The qualifications and business history of the applicant and the same information for each partner, officer or director; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

C. Whether the applicant has been found guilty of a criminal offense within the past 5 years or has been held liable for a judgment involving fraud, misrepresentation or conversion. For a corporation or partnership, the same information must be provided for each director, officer or partner; and [PL 1997, c. 776, §28 (AMD).]

D. Any other information required by the Secretary of State. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]
[PL 1997, c. 776, §28 (AMD).]

3. New or used vehicle dealer. If the applicant is a new or used vehicle dealer, information on the type of business also must be provided, including:

A. Whether the applicant intends to sell used motor vehicles and, if so, whether there is space for servicing and repairs; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

B. A certificate by a state police officer or a representative of the Secretary of State that the applicant has an established place of business at each business location in the State; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

C. For a new vehicle dealer, a copy of a current service agreement with a manufacturer or distributor requiring the applicant, on demand of a customer receiving a new vehicle warranty, to perform or arrange for, within a reasonable distance of the established place of business, the service, repair and replacement work required by warranty; and [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

D. Any other information the Secretary of State requires. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

4. Surety bonds. A dealer other than an equipment and light trailer dealer shall file with the Secretary of State and maintain a surety bond in the following amount, based on the prior year's sales:

A. For 0 to 50 sales, $25,000; [PL 2017, c. 229, §17 (AMD).]

B. For 51 to 100 sales, $50,000; [PL 2017, c. 229, §17 (AMD).]

C. For 101 to 150 sales, $75,000; or [PL 2017, c. 229, §17 (AMD).]

D. For 151 sales and over, $100,000. [PL 2017, c. 229, §17 (AMD).]

E. [PL 2017, c. 229, §17 (RP).]

Initial licensees shall file a bond based on projected sales.

Persons beginning in the business as licensed vehicle dealers are subject to review after initial bonding depending on volume.

All licensees must be reviewed annually by the Secretary of State to determine compliance with the correct amount of the bonds.

Failure to maintain such a bond is grounds for immediate suspension of the dealer license.

Any persons with a claim against the bond required by this subsection must file the claim within 3 years from the date of sale.
[PL 2017, c. 229, §17 (AMD).]

SECTION HISTORY

PL 1993, c. 683, §A2 (NEW). PL 1993, c. 683, §B5 (AFF). PL 1997, c. 776, §28 (AMD). PL 2017, c. 229, §17 (AMD).

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