§903. Grounds for denying, suspending, revoking or modifying dealer license

1. Grounds. The Secretary of State may deny, suspend, revoke or modify a dealer license for any of the following reasons:

A. A material misstatement in the application for a license; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

B. Failure to comply with this subchapter, a rule of the Secretary of State, a provision of this Title related to sales or service of a motor vehicle, or a violation of Title 17-A or this Title; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

C. For a dealer licensed under this chapter, failure to have an established place of business; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

D. Failure to notify the Secretary of State in writing at least 30 days prior to moving the location of an established place of business; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

E. Failure to maintain a surety bond; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

F. Defrauding of a retail buyer to the buyer's or another's damage; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

G. Conviction of any fraudulent act in connection with the business of selling motor vehicles or parts or being held liable by a civil judgment involving fraud, misrepresentation or conversion; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

H. Violation of the Maine Unfair Trade Practices Act, or Title 17, section 3203; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

I. Submission of a check, draft or money order to the Secretary of State that is dishonored or refused upon presentation; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

J. Certification by the State Tax Assessor that a tax, other than property tax, deemed final under Title 36 remains unpaid in an amount exceeding $1,000 for a period greater than 60 days after notice of the finality of the tax and that the person has refused to cooperate with the Bureau of Revenue Services in complying with a reasonable plan for meeting that liability; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF); PL 1997, c. 526, §14 (AMD).]

K. Failure to appear at a hearing required by the Secretary of State, failure to appear in court to answer a summons or failure to pay fines or fees for a violation of this chapter; or [PL 2023, c. 634, §12 (AMD).]

L. Failure to comply or to maintain compliance with section 1612. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

[PL 2023, c. 634, §12 (AMD).]

2. Procedures for hearing; appeals. The procedures of chapter 23, subchapter III, article 3 apply to a suspension.

[PL 1995, c. 65, Pt. A, §97 (AMD); PL 1995, c. 65, Pt. A, §153 (AFF); PL 1995, c. 65, Pt. C, §15 (AFF).]

3. Plate reduction. Upon renewal of a dealer license, the number of plates allowed a motor vehicle dealer who fails to sell at least 12 vehicles within a 12-month period must be reduced to 2 dealer plates, and the motor vehicle dealer may not be issued a dealer plate under section 1002, subsection 1, paragraph B. Upon a 2nd application for renewal of a dealer license, a motor vehicle dealer must be

denied renewal if the Secretary of State determines that the dealer sold fewer than 4 vehicles in the previous license year, at which time all dealer credentials issued previously must be returned to the Secretary of State.

A reduction in the number of plates under this subsection must be based on rules adopted by the Secretary of State. A dealer shall maintain a surety bond adequate to cover the number of sales indicated by that dealer's plates.

A motor vehicle dealer who is denied a license renewal under this subsection may not reapply until the license has been expired at least one year.

A motor vehicle dealer who holds a vehicle auction business license under section 1051 is exempt from this subsection.

A motor vehicle dealer who engages primarily in the sale of vehicles more than 15 years old, emergency vehicles or industrial or farm equipment or who sells only trucks with a gross vehicle weight rating of more than 26,000 pounds is exempt from this subsection.

Sales of vehicles to dealerships under the same ownership must be excluded when determining total sales.
[PL 2021, c. 216, §23 (AMD).]

4. Continuing business. A person may not continue to engage in the business of buying or selling of vehicles after suspension or revocation of the dealer license. A person is guilty of a Class E crime if that person continues in business after suspension or revocation. That crime is punishable by a fine of not less than $200, which may not be suspended.
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

5. Refusal to surrender. A dealer who fails or refuses to surrender a license, plates, registration certificates or temporary plates on demand of the Secretary of State following the suspension, revocation or nonrenewal of a dealer license commits a Class E crime.
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

SECTION HISTORY

PL 1993, c. 683, §A2 (NEW). PL 1993, c. 683, §B5 (AFF). PL 1995, c. 65, §A97 (AMD). PL 1995, c. 65, §§A153,C15 (AFF). PL 1997, c. 526, §14 (AMD). PL 2003, c. 496, §1 (AMD). PL 2003, c. 544, §1 (AMD). PL 2005, c. 433, §12 (AMD). PL 2005, c. 433, §28 (AFF). PL 2009, c. 435, §14 (AMD). PL 2021, c. 216, §23 (AMD). PL 2023, c. 634, §12 (AMD).

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