

HOUSE BILL NO. 1359

Introduced by

Representatives Thorpe, DeKrey, M. Klein

Senators O'Connell, Seymour, Trenbeath

1 A BILL for an Act to create and enact a new section to chapter 39-22 of the North Dakota
2 Century Code, relating to collector motor vehicle auctions; and to amend and reenact section
3 39-22-21 of the North Dakota Century Code, relating to the sale of consignment vehicles.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1.** A new section to chapter 39-22 of the North Dakota Century Code is
6 created and enacted as follows:

7 **Collector motor vehicle auctions - Permit required.**

- 8 1. A person may engage in the business of conducting a collector motor vehicle
9 auction without obtaining a motor vehicle dealer's license as otherwise required by
10 this chapter if:
- 11 a. Each motor vehicle sold or offered for sale at the auction is a collector motor
12 vehicle that includes antique and special interest vehicles;
 - 13 b. The sale is open to the public;
 - 14 c. The person conducts no more than two collector motor vehicle auctions per
15 year;
 - 16 d. The site of the auction is located on property zoned or otherwise approved for
17 this purpose by the appropriate zoning authority; and
 - 18 e. The auction lasts no more than two days.
- 19 2. Collector motor vehicle auctions that comply with this section may be conducted
20 any day of the week and section 39-22-07.1 does not apply to motor vehicle
21 dealers who participate in collector motor vehicle auctions.

22 **SECTION 2. AMENDMENT.** Section 39-22-21 of the North Dakota Century Code is
23 amended and reenacted as follows:

1 **39-22-21. Consignment vehicles - Penalty.** A motor vehicle dealer may sell a motor
2 vehicle consigned to the dealer by a motor vehicle owner, ~~except when the owner is a licensed~~
3 ~~motor vehicle dealer,~~ under the terms of a consignment contract between the owner and the
4 dealer. The consignment contract form must specify the terms of the agreement between the
5 owner and the dealer, specify the location of the motor vehicle certificate of title, and must be
6 approved by the department. ~~Any~~ A person violating this section must be assessed a one
7 hundred dollar fee by the department for a first violation and a two hundred dollar fee by the
8 department for a second violation within two years of the first violation. The department shall
9 revoke the license of a motor vehicle dealer licensed under this chapter if a third or subsequent
10 violation of this section occurs within five years of the first violation.