

Senate Bill 2193
Testimony before House Transportation Committee
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Automobile Dealers Association of North Dakota
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Mr. Chairman and members of the committee. My name is Matthew Larsgaard and I am appearing in support of Senate Bill 2193 on behalf of the Automobile Dealers Association of North Dakota which consists of our state's franchised new car dealers.

On rare occasions, a motor vehicle dealer will take a motor powered recreational vehicle (MPRV) in trade with the intent to resell the MPRV. Under this scenario, the dealer is technically purchasing the MPRV for resale purposes. However, unless the dealer has a separate MPRV dealer license, it would be required to pay tax on the value of the MPRV. The same issue exists with trailers. The dealer would need a separate trailer dealer license in order to take a trailer in trade and resell it.

This red-tape reduction bill simply allows a licensed motor vehicle dealer to deal in motor-powered recreational vehicles and trailers without the unnecessary hassle of securing two additional dealer licenses. This is also a benefit to the NDDOT as they will not need to spend further time and talent processing additional dealer licenses for a dealer that has already been inspected and licensed.

The bill also requires the dealer to maintain an appropriate surety bond and collect any applicable snowmobile safety fees and off-highway safety fees.

Thank you for the opportunity to testify. We respectfully request a DO PASS on this legislation.

Matthew C. Larsgaard, MBA
Automobile Dealers Association of North Dakota