WEST VIRGINIA LEGISLATURE
Regular Session, 2002

ENROLLED

SENATE BILL NO. 725

(By Senator Redd, et al)

PASSED March 9, 2002

In Effect 90 days from Passage
ENROLLED

Senate Bill No. 725

(BY SENATORS REDD, FACEMYER, KESSLER, MCKENZIE, OLIVERIO, ROWE AND ROSS)

[Passed March 9, 2002; in effect ninety days from passage.]

AN ACT to amend and reenact section five, article six, chapter seventeen-a of the code of West Virginia, one thousand nine hundred thirty-one, as amended; and to amend and reenact section one, article six-c, chapter seventeen-a of said code, all relating to allowing used motor vehicle dealers to purchase new motor vehicles and to sell the vehicle without first obtaining a new motor vehicle license under certain circumstances and to allowing automobile auction businesses to sell vehicles with a salvage or nonrepairable certificate.

Be it enacted by the Legislature of West Virginia:

That section five, article six, chapter seventeen-a of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted; and that section one, article six-c, chapter seventeen-a of said code be amended and reenacted, all to read as follows:
ARTICLE 6. LICENSING OF DEALERS AND WRECKERS OR Dismantlers; Special Plates; Temporary Plates or Markers, Etc.

§17A-6-5. License certificate exemption.

(a) Any new motor vehicle dealer, used motor vehicle dealer, house trailer dealer, trailer dealer, recreational vehicle dealer, motorcycle dealer or wrecker/dismantler/rebuilder receiving a vehicle in trade of a type other than that he is licensed to sell hereunder may sell such vehicle without obtaining a license certificate to engage in the business of selling vehicles of such type and without being considered to be a dealer in vehicles of such type.

(b) Any used motor vehicle dealer may obtain a new motor vehicle from a new motor vehicle dealer licensed in this state or any other state and sell the new motor vehicle without first obtaining a license to engage in the business of selling new motor vehicles: Provided, That the used motor vehicle dealer first titles the new motor vehicle in the name of the used motor vehicle dealer.

§17A-6C-1. License certificate required; application form; prohibited acts; reassignment of title; and exemption from privilege tax.

(a) A person, partnership or corporation may not engage in, represent or advertise that he, she or it is in the business of conducting automobile auctions without first obtaining a license certificate from the office of the commissioner. The commissioner shall provide an application form for applicants seeking a license certificate. The applicant shall provide full information required by the commissioner on the application form. The applicant, if a person, shall verify the information on the form by oath or affirmation. If the applicant is a partnership or corporation, the oath or affirmation shall be made by a partner or an officer of the corporation.

(b) For the purposes of this article, the term “automobile auction” means an auction or other sale where twenty or
more used motor vehicles are offered for sale by auction within a license year, but does not include a sale or auction of surplus vehicles by an agency of this state, a municipality of this state or of the federal government or a sale or auction of repossessed vehicles by a financial institution or a sale or auction by a licensed motor vehicle dealer of vehicles owned by said dealer.

(c) The automobile auction may auction or sell vehicles owned by the auction or may auction vehicles which are owned by others.

(d) When the transferee of a vehicle is an automobile auction which holds the same for resale and lawfully operates the same under Class AA plates, such automobile auction shall not be required to obtain a new registration of said vehicle or be required to forward the certificate of title to the division, but upon transfer of title or interest to another person the automobile auction shall execute and acknowledge an assignment and warranty of title upon the certificate of title and deliver the same not later than sixty days from date of sale to the person to whom such transfer is made.

(e) The tax imposed by section four, article three of this chapter does not apply to the titling of vehicles purchased for resale by an automobile auction.

(F) Notwithstanding any other provision of this article, while the vehicle is in the possession and control of an automobile auction business, its employees may not operate or allow another to operate a vehicle with a salvage or a nonrepairable motor vehicle certificate issued pursuant to section ten, article four of this chapter on the roads and highways of this state. In accordance with the temporary plate provisions and the special dealer plate provisions of this article, an automobile auction may operate or allow another person to operate a vehicle on the roads and highways of this state that has a cosmetic total loss salvage certificate issued pursuant to section ten, article four of this chapter.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within is approved this the 3rd Day of..., 2002.

Governor