

OMVC Administrative Rules and Regulations

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OMVC Administrative Rules and Regulations

Title 465 – Oklahoma Motor Vehicle Commission

Chapter 1 – Administrative Operations

Subchapter 1 - Description of Organization

465:1-1-1. Purpose

The rules in this Chapter were adopted to provide further information as to the composition of the Commission, to outline the daily method of operations and to advise the public of the proper procedure of filing a petition regarding a rule or initiating a proceeding against a licensee of this Commission.

465:1-1-2. Composition of the Commission

- (a) **Creation.** The Oklahoma Motor Vehicle Commission (hereinafter referred to as the "Commission") was created and exists by virtue of 47 O.S. Supp. 1985 Section 561 et seq.
- (b) **Members.** The Commission is composed of nine members, seven of whom shall have been engaged in the manufacture, distribution, or sale of new motor vehicles, and two members who shall be lay members, all to be appointed by the Governor of the state of Oklahoma with the advice and consent of the Oklahoma State Senate. Each of the Commissioners thus appointed shall, at the time of his or her appointment, be a resident in good faith of the state of Oklahoma and each shall be of good moral character and each of the industry Commissioners shall have actually been engaged in the manufacture, distribution or sale of new motor vehicles for not less than ten (10) years next preceding such appointment.
- (c) **At large, geographical appointments.**
 - (1) There shall be three at large members of the Commission. Six members of the Commission shall be appointed from the following geographical areas with at least one member from each area:
 - (A) Four areas of the state shall be the northwest, northeast, southwest, and southeast sections designated by Interstate 35 dividing the state east and west, Interstate 40 dividing the state north and south, excluding Oklahoma County and Tulsa County, and
 - (B) two additional areas shall be Oklahoma County and Tulsa County.
 - (2) There shall not be more than two members of the Commission from any one of these four areas.

- (d) **Chairman.** The Commission shall elect a chairman from among the nine Commissioners who shall serve a term of one (1) year with the right to succeed him or herself.
- (e) **Quorum.** Five members of the Commission shall constitute a quorum for the transaction of official business.
- (f) **Terms.** The terms of these nine Commissioners are fully described at 47 O.S. Supp. 1985 Section 563.

465:1-1-3. Executive Director

The Commission shall appoint a qualified person to serve as its Executive Director, which person shall have not less than ten (10) years of experience in the motor vehicle industry. Said Executive Director shall be appointed for a term of six (6) years and shall not be subject to dismissal or removal without cause.

465:1-1-4. Duties

The Commission's duties shall include but shall not be limited to the licensing of manufacturers, distributors, their representatives, new motor vehicle dealers and their salespersons. The Commission is also established to protect the public welfare and public interest of the citizens of the state of Oklahoma.

465:1-1-5. Hearings

The Commission is authorized to conduct hearings on various matters brought to its attention by its various licensees and citizens, all as more fully provided in 47 O.S. Supp. 1985 Section 561 et seq.

Subchapter 3 - General Course of Method and Operations

465:1-3-1. Office

- (a) **Address.** The office of the Oklahoma Motor Vehicle Commission is located in Oklahoma City at 4334 N.W. Expressway, Suite 183, 73116.
- (b) **Hours.** Office hours shall be 8:00 a.m. to 4:30 p.m. each day except Saturday and Sunday and any legal holiday established by statute or proclamation of the Governor.

465:1-3-2. Commission meetings

- (a) **Date.** In the absence of any conflicting legal holiday established by statute or proclamation by the Governor, then the meetings of the Commission shall be held on the second Tuesday of each month, starting at 10:00 a.m. at the Commission's Office.
- (b) **Compliance with laws.** All meetings of the Commission shall be conducted in compliance with the applicable provisions of the Oklahoma Open Meeting Act, 25 O.S. 1981, Sections 301, et seq. (as Amended) and the Oklahoma Administration Procedures Act, 75 O.S. 1981, Section 301 et seq. (as Amended).

465:1-3-3. Seal

The official seal of the Oklahoma Motor Vehicle Commission shall be as follows: The official star of the State of Oklahoma bordered by the inscription, Oklahoma Motor Vehicle Commission. The Executive Director shall be the custodian of the official seal and shall affix the imprint or facsimile thereof to all license certificates issued by the Oklahoma Motor Vehicle Commission.

465:1-3-4. Correspondence

Communication in writing to the Commission shall be addressed to the Executive Director at the address indicated in OAC 465:1-3-1 (a), unless the Commission so directs otherwise.

Subchapter 5 - Public Rights

465:1-5-1. Access to records

- (a) **Open records.** All official records of the Commission, not privileged from disclosure by law, shall be public records, available for inspection and review in the office of the Commission, under reasonable circumstances at reasonable times and during normal business hours.
- (b) **Fees.** Copies of all such records, certified or not certified, may be obtained during normal business hours, provided that the expense of such copies shall be paid by the person requesting same. Fees for such copies shall be in accordance with a fee schedule and/or procedure prescribed by the Executive Director of the Commission.
- (c) **Request.** Any member of the public may obtain any information contained in the files at the Commission that is not otherwise confidential by either making a written request therefor to the Executive Director of the Commission at the address listed in OAC 465:1-3-1(a), or by personally appearing at the offices of the Commission and making a request in person.
- (d) **Records not removable.** Official records of the Commission may not be removed from the office of the Commission.

465:1-5-2. Public inspection of rules, orders and decisions

The Commission will make available for public inspection all rules and all other written statements of policy or interpretations formulated, adopted, or used by the Commission in the discharge of its functions. The Commission will make available for public inspection all orders, decisions and opinions.

465:1-5-3. Public submission

Any member of the general public may make submissions or any reasonable request regarding the business of this Commission by contacting the Executive Director in writing or by appearing at the offices of the Commission in person.

Subchapter 7 - Procedures Pertaining to Individual Proceedings

465:1-7-1. Purpose

The rules in this subchapter document the proper procedure to follow when filing a complaint with this Commission. This subchapter is intended to supplement the provisions of 47 O.S. 1981 Section 566, 566.1 (as amended) and OAC 465:1-1-5.

465:1-7-2. Proceedings initiated by person or entity

- (a) **Informal Complaint.** Any person or entity including a current licensee of this Commission, can file an informal complaint, in writing, on forms prescribed by the Commission, against any licensee of this Commission. Complaint forms may be obtained from the Commission. The Executive Director, or his designee, will attempt to bring about an informal resolution and determine if any violations of Motor Vehicle Commission Law have occurred.

- (b) **Formal Complaint.** Any person or entity including a current licensee of the Commission can initiate an individual proceeding to consider the suspension or revocation of the license issued by the Commission to any of its licensees or the imposition of a fine against any of these licensees by filing with the Commission, in writing, a formal complaint requesting a hearing, alleging that this licensee has violated any of the provisions of the Oklahoma Motor Vehicle Commission Act, 47 O.S. 1981 Section 561, et seq. (as amended) or any of the provisions of this Title.

- (c) **Hearing.**
 - (1) Upon its receipt of a written formal complaint as described in (b) of this Section, the Commission shall set the matter for a hearing and provide both the complainant and the affected licensee(s) with appropriate notice thereof.

 - (2) At any hearing held to consider a complaint as provided by (b) of this Section, the complainant shall be a party to such hearing and shall have all the rights and privileges attendant thereto as provided by law. The Commission shall act in a quasi-judicial capacity at such an adversarial hearing and shall not itself introduce evidence or otherwise act as a party. The Commission shall, however, have the right to direct questions at any witness appearing at the hearing.

465:1-7-3. Proceedings initiated by Commission

- (a) **Complaint.** The Commission can, sua sponte, initiate an individual proceeding to consider the suspension or revocation of the license issued by the Commission to any of its licensees or the imposition of a fine against any of its licensees by issuing a complaint, verified by the Commission's Executive Director, against said licensee(s) alleging a violation(s) of the Oklahoma Motor Vehicle Commission Act, 47 O.S. 1981 Section 561, et seq. (as amended) or any of the provisions of this Title.

- (b) **Hearing.** The matters addressed in a complaint issued pursuant to (a) of this Section, shall be considered at a hearing to be held before the Commission. The affected licensee shall be provided appropriate notice of this hearing. In a hearing held pursuant to this Section, counsel or the Executive Director for the Commission shall present evidence substantiating the allegations contained in the complaint and otherwise act in a quasi-prosecutorial role. For this reason, the individual presenting the evidence for the Commission shall not be allowed to be present during any Executive Session at which the Commission deliberates on what action to take in an individual proceeding held pursuant to this subsection.

Subchapter 9 – Petitions

465:1-9-1. Promulgate, amend or repeal a rule

Any interested person may petition the Commission requesting the promulgation, amendment or repeal of a rule. Said petition may be in any reasonable form that would apprise the Commission of the substance of the proposed rule or of the substantive changes suggested in any amendment to any existing rule. The petition shall be in writing and directed to the attention of the Executive Director of the Commission. If the petition is filed with the Commission at least ten days before its next regularly scheduled monthly meeting, then the petition will be heard before the Commission at that meeting. In all other instances, the hearing on the Petition shall be at the Commission's next regularly scheduled meeting. The hearing on the petition will conform in all particulars to the requirements of the Oklahoma Administrative Procedures Act, 75 O.S. 1981, Section 301 et seq.

465:1-9-2. Declaratory ruling

Any interested person may file a petition for a declaratory ruling as to the applicability to it of any rule or order of the Commission. A petition for declaratory ruling filed pursuant to this rule shall be in writing and directed to the attention of the Executive Director of the Commission. A hearing will be held on this petition for declaratory ruling at the next regularly scheduled meeting of the Commission, provided that the petition is received at least ten days prior to that regularly scheduled meeting. In all other instances, the petition will be heard by the Commission at the next regularly scheduled meeting. The hearing on a petition for a declaratory ruling pursuant to this Section shall conform in all particulars to the requirements of the Oklahoma Administrative Procedures Act, 75 O.S. (1981) Section 301 et seq. (as amended).

Chapter 10 – License

Subchapter 1 - Commission Licensing Procedures

465:10-1-1. Purpose

The rules in this subchapter provide a detailed outline of the four different decisions the Commission can choose from when considering an application for license.

465:10-1-2. Consideration of initial applications for license

All initial dealer, manufacturer, and distributor applications received for licenses by the Commission pursuant to 47 O.S. Supp. 1985 Section 564(B) shall be considered at the next regularly scheduled meeting of the Commission. When considering an application received pursuant to 47 O.S. Supp 1985 Section 564(B), the Commission shall make one of the following orders:

- (1) Approval
- (2) Approval contingent upon receipt of certain additional designated information or documents
- (3) Defer consideration pending receipt of additional information or documents or
- (4) Recommendation of denial.

465:10-1-3. Application approved

In the event that the Commission issues an Order approving the application, then the Executive Director shall issue the applied for license within ten days.

465:10-1-4. Application approved upon contingency

In the event the Commission issues an Order approving an application contingent upon subsequent receipt of additional information or documents, the Commission shall so notify in writing the affected applicant of its decision within ten days. Then the Executive Director shall, upon receipt of the needed additional information or documents, issue the applied for license.

465:10-1-5. Application deferred

In the event that the Commission issues an Order deferring consideration on the applied for license pending receipt of additional information or documents, then the Commission shall reconsider the application at its next regularly scheduled meeting. The Commission shall so notify in writing the affected applicant of this decision within ten days.

465:10-1-6. Application denied

In the event the Commission acts upon an application by recommending that it be denied, then the Commission's Executive Director shall so notify the affected applicant in writing within ten days. This notice shall apprise the affected applicant of the recommended denial and shall further notify the applicant that a hearing will be held at the next regularly scheduled meeting of the Commission to consider the previously issued recommendation of denial. This Notice shall further advise the affected applicant that he shall have a right to be heard at this subsequent hearing.

465:10-1-7. Consideration of other applications for license

All other applications received for licenses by the Commission (manufacturer representative, distributor representative, motor vehicle salesperson, off premise display, off premise sale, and off premise sponsoring entity) shall be reviewed by the Executive Director. In reviewing these applications for licenses, the Executive Director shall follow the same procedures as outlined above for review of initial licenses.

Subchapter 3 - License Identification and Changes

465:10-3-1. Purpose

The rules in this subchapter outline additional requirements for licensing of dealers and salespersons and renewal of those licenses.

465:10-3-2. Name to be placed on dealer's license

Dealer licenses will be issued in the trade name of the applicant, and said licenses shall be displayed in a conspicuous location at the Dealer's place of business.

465:10-3-3. Salespersons' license

- (a) **License.** Contemporaneous with a new Salesperson being employed, an application for Salesperson License shall be submitted to the Commission on forms prescribed by the Commission along with the appropriate fee. A license for a Motor Vehicle Salesperson will not be issued, renewed, or endorsed until the employing Dealer is licensed and has certified that the applicant for said license is in his or her employ. It is not intended that the Dealer pay for licenses for its Salespersons. However, for convenience, the Dealer may do so on a reimbursable basis or any other plan satisfactory to its organization. All Salespersons' licenses will be sent to the Dealer for distribution to his or her respective applicants, and the Dealer will determine that all its personnel required to obtain license have done so. Salesperson Licenses are required for anyone involved in the selling of new or used vehicles, including sales managers and F&I personnel.
- (b) **Identification card.** A Salesperson's license shall consist of an identification card. The card shall be carried upon his or her person when acting as a Salesperson.
- (c) **Termination of employment.** Upon termination of employment of a licensed Salesperson, the dealership must notify the Motor Vehicle Commission in writing within ten days.
- (d) **One license and employer at a time.** No Salesperson may hold more than one license at any one time or be employed by, or sell for, any Dealer other than the Dealer designated on the Salesperson's license.
- (e) **Change of employment.** A licensed Salesperson shall, on change of employment, surrender the Salesperson's License Certificate to the new employer, who shall submit the License along with the appropriate Transfer form to the Commission for endorsement reflecting the change of employers.

465:10-3-4. Changes to be reported

Any proposed change of dealer, dealership address, ownership or franchises sold by the Dealer, shall be submitted to the Commission, in writing, along with the appropriate documentation. Sufficient advance notice shall be given for the Commission to act in accordance with the applicable statutes and rules.

465:10-3-5. Renewal of licenses

Application for renewal of all licenses shall be mailed by the Commission to each of its licensees by May 1 of each year and all licensees shall return the completed renewal application, along with the proper fees, by June 1 of each year.

Subchapter 5 - Denial, Suspension or Revocation of License

465:10-5-1. Purpose

The rules in this subchapter outline additional infractions, that if committed, can result in grounds for denial, suspension or revocation of license or the imposition of a fine.

465:10-5-2. Dealer license contingent on manufacturer licensing status

The Commission may suspend or revoke the license of any Dealer whose manufacturer or distributor is not duly licensed by this Commission.

465:10-5-3. Duty to comply with registration laws

The Commission shall deem it to be a fraudulent practice and grounds for denial of an application or for revocation or suspension of a license previously granted or for the imposition of a fine for any of its licensees to violate any of the provisions of the Oklahoma Vehicle License and Registration Act, 47 O.S. Supp. (1985), Section 1101, et seq.

Subchapter 7 - Off Premise Sale and Display

465:10-7-1. Purpose

The rules in this subchapter provide additional off premise sale and display requirements.

465:10-7-2. Receipt of applications

All applications for Off Premise Display or Sales Licenses issued pursuant to 47 O.S. Supp. 2005, Section 564.1 (as amended), shall be submitted on forms to be furnished by the Commission and must be received by the Commission at least seven (7) calendar days prior to the date of the off premise sale or display.

465:10-7-3. Off premise events

- (a) **Off premise display events.** No sales activities shall be conducted at an off premise display, including but not limited to, negotiations, financing, and accepting credit applications. The presence of sales or finance personnel at an off premise display, creates a rebuttable presumption that sales activities are being conducted at the off premise display event.
- (b) **Off premise sales events.** Sales activities may be conducted by recreational vehicle dealers at a licensed off premise sale.

- (c) **License affixed to windshield.** An off premise display or sale license issued by the Commission pursuant to 47 O.S. Supp. 2005, Section 564.1 (as amended), shall be prominently affixed to the windshield of each new motor vehicle.

Subchapter 9 - Dealership Locations

465:10-9-1. Purpose

The rules of this subchapter provide definition of established business locations and restrict usage of "line-make" identification in the trade name at locations other than the primary franchised licensed location.

465:10-9-2. Definition of established place of business

An established place of business as used in 47 O.S. 2001, Section 565(7)(a), (as amended), shall mean a permanently enclosed building or structure, easily accessible to the public, with a paved or graveled lot for customer parking and for the showing and storage of vehicles, and, shall not mean residences, tents, temporary stands, lots, or other temporary quarters. The established place of business must have a sign visible from the outside which identifies the motor vehicle dealership. An established place of business shall include an indoor show room capable of housing at least one vehicle, provided, however, the Commission may waive this requirement to dealerships engaged in the business of selling medium or heavy duty trucks or recreational vehicles only. It shall also have an indoor office and public areas sufficient to conduct sales transactions with customers, and have restroom facilities available for the public. The established place of business shall also include a service and parts area, separated from the public areas, equipped with tools, equipment, and replacement parts necessary for reasonably expected warranty and service needs, and equipped with the means to vent exhaust directly from vehicles being repaired to the outside. This definition is intended to clarify and supplement the language in 47 O.S. 2001, Section 565 (7)(b), (as amended).

465:10-9-3. Use of trade name at remote used car dealership locations

A new motor vehicle dealer operating a licensed used motor vehicle dealership(s) at a location(s) other than the licensed location of its new motor vehicle dealership shall be permitted to use its trade name at its used motor vehicle dealership(s) so long as there is no reference therein to any line-make of motor vehicle.

Chapter 15 – Advertising

Subchapter 1 - General Provisions

465:15-1-1. Purpose

The purpose of this Chapter is to implement the intent of the legislature as declared in the Oklahoma Motor Vehicle Commission Law by regulating the advertising of Commission licensees by requiring truthful and accurate advertising practices for the benefit of the citizens of this State.

465:15-1-2. Definitions

The following words and terms, when used in this Chapter, shall have the following meaning, unless the context clearly indicates otherwise:

"Advertisement" means an oral, written, graphic, or pictorial statement made in the course of soliciting business, including, without limitation, a statement or representation contained in a newspaper, magazine, publication, notice, sign, poster, display, circular, pamphlet, letter, or on the Internet, radio, television, or any other type of media.

"Bait Advertisement" means an alluring but insincere offer to sell a product of which the primary purpose is to obtain leads to persons interested in buying merchandise of the type advertised and to switch consumers from buying the advertised product in order to sell some other product at a higher price or on a basis more advantageous to the advertiser.

"Clear and Conspicuous" means that the statement, representation, or disclosure is of such size, color, contrast, and audibility and is presented so as to be readily noticed and understood. All language and terms, including abbreviations, shall be used in accordance with their common or ordinary usage and meaning. This standard shall be met by the following:

(A) In a print advertisement:

- (i) The type size of 5 ½ caps or larger shall be used in all disclosures.
- (ii) Disclosures shall be located adjacent to the price or in an area clearly marked with reference symbols. All reference symbol marks, such as asterisks, must be type size 5 ½ caps or larger.

(B) In an audio advertisement:

- (i) The disclosure shall be clear and understandable in pace and volume; and,
- (ii) The disclosure shall be placed at the end of the advertisement.

(C) In a television advertisement:

- (i) The disclosure shall be in visual form so that the average viewer can easily read and understand it.
- (ii) The disclosure size shall be at least twenty (20) scan lines and each disclosure shall appear continuously on the screen at least ten (10) seconds.

"Dealership addendum" means a form which is to be displayed on a window of a new motor vehicle when the dealer installs special features, equipment, parts or accessories, or charges for services not already compensated by the manufacturer or distributor for work required to prepare a vehicle for delivery to a buyer. The addendum is to disclose:

- (A) That it is supplemental and it should not be deceptively similar in appearance to the manufacturer's label, which is required to be affixed by every manufacturer to the windshield or side window of each new motor vehicle under the Automobile Information Disclosure Act;
- (B) Any added feature, service, equipment, part, or accessory charged and added by the dealership and the retail price thereof;
- (C) Any additional charge to the selling price such as additional dealership markup; and,
- (D) The total dealer selling price.

"Demonstrator" means those vehicles that are of the current or previous model year which have not been sold, titled or registered to any type of purchaser and are used by dealership personnel for demonstration purposes. Service vehicles, courtesy cars, daily rentals, loaners, driver education and factory executive cars shall not be described as "demonstrator" vehicles. Demonstrators may be advertised for sale, as such, only by a franchised dealer of the same line-make of vehicle.

"Disclosure" means required information that is clear, conspicuous, and accurate.

"Factory executive/official vehicle" means a new motor vehicle with an original Manufacturer's Statement of Origin, that has been used exclusively by an executive or official of the dealer's franchising manufacturer, distributor, or their subsidiaries.

"Licensee" means any entity or person required to obtain a license from the Oklahoma Motor Vehicle Commission.

"Manufacturer's label" means the label required by the Automobile Information Disclosure Act, 15 U.S.C. Sections 1231-1233, (normally referred to as Monroney Label), to be affixed by the manufacturer to the windshield or side window of each new automobile delivered to a dealer.

"Program car" means a car that is purchased at a manufacturer's closed auction or sold by or directly from the manufacturer or distributor which is a current or previous year model, that has been previously tagged and/or titled, and returned to the manufacturer for disposal.

"Rebate" or **"Cash back"** means a sum of money refunded to a purchaser or for the benefit of the purchaser. The purchaser may choose to reduce the amount of the purchase price by the sum of money or the purchaser may opt for the money to be returned to the purchaser for his or her benefit.

Subchapter 3 - Specific Advertising Regulations

465:15-3-1. General prohibition

A licensee shall not use false or misleading advertising.

465:15-3-2. Availability of vehicles

(a) **Specific advertising.** A licensee may advertise a price or savings claim for a specific vehicle or line-make of vehicles for sale if:

- (1) the specific vehicle or line is in the possession of the licensee at the time the advertisement is placed, or the vehicle may be obtained from the manufacturer or distributor or some other source, and this information is disclosed in the advertisement; and,
- (2) the advertisement sets forth the number of vehicles available or if the advertisement pertains to only one specific vehicle, then the advertisement must disclose that vehicle's stock number.

(b) **General advertising.** This Section does not prohibit general advertising of vehicles by a manufacturer, dealer advertising association, or distributor, and the inclusion of the names and addresses of the dealers selling such vehicles in the particular area.

465:15-3-3. Accuracy

All advertised statements shall be accurate, clear and conspicuous.

465:15-3-4. Bait advertisement

Any advertising of a "Bait" or "Bait and switch" nature is prohibited.

465:15-3-5. Layout

The layout, headlines, illustrations, or type size of a printed advertisement and the broadcast words or pictures of radio/TV advertisements shall not convey or permit an erroneous or misleading impression as to which vehicle or vehicles are offered at featured prices. No advertised offer, expression, or display of price, terms, down payment, trade-in allowance, cash difference, savings, or other such material terms shall be misleading and any necessary qualifications shall be clearly, conspicuously, and accurately set forth to prevent any misunderstandings.

465:15-3-6. Manufacturer's suggested retail price

The suggested retail price of a new motor vehicle when advertised by a manufacturer or distributor shall include all costs and charges for the vehicle advertised, except that destination and dealer preparation charges, and state and local taxes, title, and license fees may be excluded from such price, provided that the advertisement conspicuously states that such costs and charges are excluded. However, with respect to advertisements placed with local media in Oklahoma by a manufacturer, distributor, or advertising association which include the names of the local dealers for the vehicles advertised, if the price of a vehicle is stated in the advertisement, such price must include all costs and charges for the vehicle advertised, including destination and dealer preparation charges and may exclude only state and local taxes, license, and title fees.

465:15-3-7. Dealer price advertising

- (a) **Selling price.** The most conspicuous price of a new motor vehicle, when advertised by a dealer, must be the full and total selling price for which the dealer will sell the vehicle to any retail buyer. The only charges that may be excluded from the advertised price are:
 - (1) state and local taxes,
 - (2) license, and
 - (3) title.
- (b) **Qualification.** A qualification may not be used when advertising the price of a vehicle such as "with trade", "with acceptable trade", "with dealer-arranged financing", or "with down payment".
- (c) **Rebate or savings claim.** If an advertised price includes any rebates, cash back, or other incentive, the ad must clearly disclose that the price includes the rebate or incentive.
- (d) **Rebates only available to select consumers.** The most conspicuous price or payment of a new motor vehicle, when advertised by a dealer, must be the true price that is available for every consumer. Rebates that are only available to select consumers shall either be presented as additional savings to the select group, or presented as separate prices or payments which clearly identify to whom the price or payment applies.

465:15-3-8. Identification

- (a) When the price, payment or savings claim of a vehicle is advertised, the following must be disclosed:
 - (1) model year;
 - (2) make;
 - (3) trade, brand or style name; and
 - (4) if other than a new vehicle, the vehicle must be identified as a used, demonstrator, or a factory executive/official vehicle, or a factory program vehicle.
- (b) An illustration of a motor vehicle used in an advertisement must be that of the motor vehicle advertised. If an illustration of the advertised vehicle is not available then the dealer must clearly and conspicuously disclose the difference between the illustration and the vehicle being advertised.

465:15-3-9. Demonstrators, executives and officials vehicles

If a demonstrator or factory executive/official vehicle is advertised, the advertisement must so disclose.

465:15-3-10. Auction

Terms such as "auction" or "auction special" and other terms of similar import shall be used only in connection with a vehicle offered or sold at a bona fide auction.

465:15-3-11. Authorized dealer

The term "authorized dealer" or a similar term or indication shall not be used unless the advertising dealer holds a franchise and a license to sell at the advertised location those vehicles he is holding himself out as "authorized" to sell.

465:15-3-12. Lease advertisements

Vehicle lease advertisements shall clearly and conspicuously disclose that the advertisement is for the lease of a vehicle. Statements such as "alternative financial plan", "drive away for \$____ per month", or other terms or phrases that do not use the term "lease", do not constitute adequate disclosure of a lease. Lease terms that are not available to the general public shall not be included in advertisements directed at the general public. All limitations and qualifications applicable to the lease terms advertised shall be clearly and conspicuously disclosed as per Federal Trade Commission Regulation "M".

465:15-3-13. Payment disclosure

All payment advertising shall be in compliance with Federal Trade Commission Regulations "M" (Lease Regulation) and "Z" (Truth in Lending Act).

465:15-3-14. Prohibited statements

The following statements are presumptively false and misleading, and the burden of proving otherwise shall be on the Advertiser/Licensee:

- (1) Statements such as "everybody financed", "no credit rejected", "guaranteed approval", "you are pre-approved", and other similar statements representing or implying that no prospective credit purchaser will be rejected because of his inability to qualify for credit.
- (2) Statements representing that no other dealer grants greater allowances for trade-ins, however stated, unless such is the case.
- (3) Statements representing that because of its large sales volume a dealer is able to purchase vehicles for less than another dealer selling the same make of vehicles, unless such is the case.
- (4) Statements such as "factory direct prices", "wholesale prices", "factory sale", and other similar statements that create the impression that the vehicle is being offered for sale by the manufacturer or distributor of the vehicle, are prohibited. Dealers may use terms such as "factory authorized sale" only in conjunction with factory-sponsored promotions and/or advertising campaigns. Statements such as "we have been selected", "we have been chosen", and other similar statements, which imply that the dealership has exclusive arrangements not available to other dealers, are prohibited.
- (5) A savings claim or discount offer is prohibited except to advertise specific new or demonstrator vehicles. Statements such as "up to", "as much as", "from", shall not be used in connection with savings or discount claims, unless the vehicle for which the claim is made is clearly identified including stock number. Savings claims can only be offered from the bottom line MSRP sticker price. Discounts shown on the Monroney Sticker Label shall not be included in the advertised discount or savings claim. The featured savings claim or discount offer for a new motor vehicle, when advertised, must be the savings claim or discount which is available to any and all members of the buying public.

- (6) The use of the terms "Free", "Complimentary", or similar terminology is prohibited if a consumer must make a purchase to obtain the "free" offer.
- (7) The terms "dealer's cost", "invoice", "invoice price" or other reference to the cost of the vehicle to the dealer shall not be used.
- (8) No trade-in amount or range of amounts shall be advertised.
- (9) A used vehicle shall not be advertised in any manner that creates the impression it is new.
- (10) Statements such as "we pay tag, tax and license", or statements with similar meaning shall not be used.
- (11) The use of the terms "liquidation", "going out of business", or statements with similar meaning, are prohibited unless a dealer is actually going out of business and ceasing its operations at the licensed location. If a dealer is going out of business, these terms can only be advertised during the period between the execution of a buy-sell with the proposed buyer and written factory approval.
- (12) An offer of a buy down rate is prohibited without the appropriate disclaimer: "This is a buy down rate. The amount of the buy down may affect the price of the vehicle".
- (13) Terminology such as "we will pay off your trade no matter how much you owe" or statements with similar meaning shall not be used, unless accompanied by a disclaimer indicating that pay off amount is added into the contract and is dependent upon approved credit.

465:15-3-15. Dealership name

All advertisements must conspicuously display the name of the new motor vehicle dealership.

Subchapter 5 - Finding of Violation

465:15-5-1. Violation

The violation of an advertising rule shall be considered by the Commission as a violation of the Oklahoma Motor Vehicle Commission Law, created by Title 47 of Oklahoma State Statute. In addition to the specific advertising regulations, referenced in Subchapter 3, any other advertising or advertising practices found by the Commission to be false or misleading shall be deemed violations of the law, and shall also be considered violations of the general prohibition.

465:15-5-2. Hearing

No licensee shall be held to be in violation of the foregoing rules of this Chapter including the general prohibition, referenced in OAC 465:15-3-1, except upon a finding thereof made by the Commission after notice and hearing as provided in the Oklahoma Motor Vehicle Commission Law.

Subchapter 7 – Enforcement

465:15-7-1. Purpose

The rules in this Subchapter outline specific procedures the Commission shall use for enforcing the Advertising Rules and Regulations. However, at any time, the Commission has the authority, under Title 47, Section 565, to schedule a hearing concerning advertising violations.

465:15-7-2. Enforcement procedures

- (a) **Finding.** Upon a finding that an advertisement is in violation of the advertising regulations, referenced in Subchapter 3, the Commission shall apply the following procedures:
- (1) **Violation.** Any violation for unlawful advertising for each dealership location will result in a letter advising the dealer of the violation.
 - (2) **Second violation.** A second violation within the last six months will result in a letter, sent by certified mail, advising the dealer of the infraction and warning that a third violation within the last six months could require the dealer to appear before a hearing by the Commission to determine the possibility of an imposition of a fine and/or suspension or revocation of the dealer's license.
 - (3) **Third violation.** A third violation within the last six months will result in a letter, sent by certified mail, advising the dealer of dealer's hearing date to determine the possibility of an imposition of a fine and/or suspension or revocation of the dealer's license. A dealer may offer to pay a fine of \$250.00 in lieu of a hearing. The Commission may, at its discretion, accept the fine or schedule a hearing at the next regularly scheduled meeting.
 - (4) **Fourth violation.** A fourth violation within the last six months will result in a letter sent by certified mail advising the dealer of dealer's hearing date to determine the possibility of an imposition of a fine and/or suspension or revocation of the dealer's license. A dealer may offer to pay a fine of \$500.00 in lieu of a hearing. The Commission may, at its discretion, accept the fine or schedule a hearing at the next regularly scheduled meeting.
 - (5) **Fifth violation.** A fifth violation within the last six months will automatically result in a notice of hearing sent by certified mail. The dealer may not offer to pay a fine in lieu of a hearing.
- (b) **Correspondence.** All certified letters should be addressed to the licensee with "RETURN RECEIPT REQUESTED".

Chapter 20 – Temporary License Plates

Subchapter 1 - General Provisions

465:20-1-1. Purpose

The rules of this Chapter have been adopted for the purpose of complying with the provisions of 75 O.S. Section 250 et. seq. and 47 O.S. Section 1137.3, as amended. This chapter will provide a description of the design and use of the temporary license plate for dealers who sell new motor vehicles, travel trailers, or commercial trailers.

Subchapter 3. Design and Placement

465:20-3-1. Form and substance of the temporary license plate

(a) **Plate size.** The temporary license plate for all new motor vehicles, travel trailers, and commercial trailers, except motorcycles and scooters, shall be 11 ½ inches in length and 6 inches in height.

(b) **Cycle plate size.** A temporary license plate for new motorcycles and scooters shall be 7 inches in length and 4 inches in height.

(c) **Substance.** The temporary license plate shall be of a weatherproof non-glare plastic-impregnated white substance with ink absorbing characteristics capable of withstanding continual exposure to the natural elements such as water, mud and wind, without the loss of form or content for a period in excess of thirty (30) days.

(d) **Fastening.** Fastener holes for placing the temporary license plate to the vehicle shall be at an appropriate location for use of the factory installed mounting holes on the vehicle on which the temporary license plate shall be placed.

465:20-3-2. Content of the temporary license plate

(a) **Format.** There shall be two rectangular shaped blocks for the month, two rectangular shaped blocks for the day of the month, and two rectangular shaped blocks for the year indicating the date of the sale of the vehicle. The blocks shall be of a size of at least 1 ¾ inches in height and 1 ½ inches in width and pale or light toned green in color. The rectangular blocks for the motorcycle and scooter temporary license plates shall be 1 inch in height and ¾ inch in width. Preprinted below the two blocks on the left shall be the words "SOLD MONTH"; below the middle two blocks shall be the words "SOLD DAY"; and below the two blocks on the right shall be the words "SOLD YEAR".

(b) **Ink type.** Any writing on the temporary license plate not preprinted shall be applied by an instrument using indelible black ink. The ink marker for writing in the date blocks should be capable of making a mark of at least ¼ inch in width.

(c) **Required verbiage.** The temporary license plate shall have the following preprinted language: The selling dealer's company name, the selling dealer's license number which is issued by the Oklahoma Tax Commission, the word "Oklahoma" or "Okla", and the words "30 Day Temporary Tag", and a line with the words "Vehicle Year, Make, Model" below the line.

(d) **Unique sequential number.** In addition to the preprinted information recited in paragraphs (a) and (c), the temporary license plate shall have a preprinted unique sequential number of no fewer than six digits approximately one inch in height. The height of the preprinted unique sequential number for a motorcycle temporary license plate shall be no less than ½ inch. The dealer shall record the temporary license plate's unique sequential number on the front of the vehicle's bill of sale in a conspicuous location. A dealer shall not issue more than one sequentially numbered temporary license plate for the same vehicle sale.

(e) **Purchaser information.** The name of the purchaser shall be written on the temporary license plate; or, in lieu of the name of the purchaser, the words "see bill of sale" may be used. If the term "see bill of sale" is used, the purchaser shall retain the bill of sale in the vehicle at all times until the vehicle has been registered in the purchaser's name.

(f) **Recordkeeping.** The dealer shall maintain a record of temporary license plates issued for a minimum of three years from the date of sale. The record shall include the unique sequential number, the date issued, the name of the purchaser and the year, make, model and vehicle identification number, for which the temporary license plate was issued. The record shall be available to Commission and law enforcement personnel upon request.

465:20-3-3. Location of the temporary license plate

Upon the sale of a new motor vehicle, the temporary license plate shall be placed on the vehicle at the location provided for the permanent license plate, and shall be securely fastened so that all of the required information remains visible while the vehicle is in motion on streets and highways.