

**MOTOR VEHICLE DEALER BOARD
2019 RULEMAKING AGENDA**

***RULE GROUP # 1
WORKING GROUP***

**COMPILATION OF EXISTING
REGULATIONS
TOGETHER WITH
PROPOSED REVISIONS OF REGULATIONS**

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2019 Rule Group # 1
Compilation of Regulations

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Introduction

This regulatory compilation provides an initial framework for Stakeholders to discuss each listed regulation in the course of the Stakeholders' Meetings. The regulations appear as solitary rules or in rule groupings, to ensure concurrent consideration of either a set of rules on a given topic or parallel regulations respective to Motor Vehicles and Powersports Vehicles. The Motor-Vehicle-related regulations in the set always appear first, marked by the letter, "A." The parallel Powersports-Vehicle-related regulations appear second in the set, marked by the letter, "B." Both the Motor-Vehicle-related regulations and the Powersports-Vehicle-related regulations display the current text of the regulations followed by the Staff's proposed new text.

RULE SET 1

“Material Misstatement”

RULE SET 1

Topic --- “Material Misstatement”

Introductory Note: this set contains four rules, two motor-vehicle-related and two powersports-vehicle-related on the topic of “material misstatement.” One motor-vehicle-related rule and an identical powersports-vehicle-related rule apply to applicants for licenses other than salesperson licenses. One motor-vehicle-related rule and an identical powersports-vehicle-related rule apply to applicants for salesperson licenses. The Division recommends revising all four rules completely, replacing the current text with modernized, simplified, parallel language, consistent with other rules related to the board’s application process. The Division also recommends that the current “definition-of-terms” approach be continued, but be aligned better with the statutory language, i.e., not “Material Misstatement,” but rather, “Material Misstatement in an Application for a License.”

A Motor-vehicle-related current regulations and proposed changes.

Current Regulations

1. 1 CCR 205-1 --- REGULATION # 44-20-121(3)(a)

“Material misstatement” means any material false or misleading statement, omission, or misrepresentation by the applicant or a partner, officer, director or shareholder of any corporation, limited liability company, limited liability partnership or any other business entity authorized under law to hold a license, regarding personal identification information, employment history, personal or business entity financial information, prior occupational licensing history, whether regarding a license issued by the Board or any other licensing/regulatory agency, criminal background and history including arrests, criminal information filings, indictments, municipal, misdemeanor, and/or felony convictions, and deferred judgments, civil judgments, assurances of discontinuance, consent order/decrees, and/or stipulation arising from the operation of a business in this state or any other engaged in the sale, lease, or distribution of motor vehicles. This Regulation does not apply to shareholders of corporations that are subject to the reporting requirements of the Securities and Exchange Act of 1934, as amended.

2. 1 CCR 205-1 --- Regulation # 44-20-121(6)(a)

“Material misstatement” in an application for a salesperson license means any relevant false or misleading statement, omission, or misrepresentation regarding personal identification information, employment history, prior occupational licensing history, whether regarding a license issued by the board or any other state licensing/regulatory agency, criminal background and history including arrests, criminal information filings, indictments, municipal, misdemeanor, and/or felony convictions, plea of nolo contendere or a plea in a deferred judgment and sentence.

Proposed Changes

REVISE THE CURRENT RULES

Proposed Revised Rule --- 1 CCR 205-1 Regulation # 44-20-121(3)(a)

[recommended text below]

1. “Material Misstatement in an Application for a License” means (a) either a written statement, a responsive mark (for example, a mark in a checkbox), or, an omission, (b) for which the applicant is responsible, (c) that is false or misleading, (d) that could affect the outcome of the board’s review of an application, and, (e) that is made in support of an application either (1) by a natural person who has an ownership, financial, or equity interest in an applicant for a class of license other than a salesperson’s license (except for a natural person whose sole relationship to the applicant is as a stockholder of a corporation that is subject to the reporting requirements of the “Securities Exchange Act of 1934,” as amended, 15 U.S.C. § 78a, et seq.), or, (2) by a natural person who has the ability to control or to exercise significant financial or operational influence over an applicant for a class of license other than a salesperson’s license.

Proposed Revised Rule --- 1 CCR 205-1 Regulation # 44-20-121(6)(a)

[recommended text below]

2. “Material Misstatement in an Application for a License” means (a) either a written statement, a responsive mark (for example, a mark in a checkbox), or, an omission, (b) for which the applicant is responsible, (c) that is false or misleading, (d) that could affect the outcome of the board’s review of an application, and, (e) that is made in support of an application for a salesperson’s license by the applicant.

B Powersports-vehicle-related current regulations and proposed changes

Current Regulations

1. 1 CCR 205-2 Regulation # 44-20-420(3)(a)

“Material misstatement” means any relevant false or misleading statement, omission, or misrepresentation by the applicant or a partner, officer, director, or shareholder of any corporation, limited liability company, limited liability partnership or any other business entity authorized under law to hold a license, regarding personal identification information, employment history, personal or business entity financial information, prior occupational licensing history, whether regarding a license issued by the board or any other licensing/regulatory agency, criminal background and history including arrests, criminal information filings, indictments, municipal, misdemeanor, and/or felony convictions, and deferred judgments, civil judgments, assurances of discontinuance, consent order/decrees, and/or stipulation arising from the operating of a business in this state or any other state engaged in the sale, lease, or distribution of powersports vehicles. This Regulation does not apply to shareholders of corporations, who own less than five per-cent, that are subject to the reporting requirements of the Securities and Exchange Act of 1934, as amended.

2. 1 CCR 205-2 Regulation # 44-20-420(5)(a)

“Material misstatement” in an application for a salesperson license means any relevant false or misleading statement, omission, or misrepresentation regarding personal identification information, employment history, prior occupational licensing history, whether regarding a license issued by the board or any other licensing/regulatory agency, criminal background and history including arrests, criminal information filings, indictments, municipal, misdemeanor, and/or felony convictions, plea of nolo contendere or a plea in a deferred judgment and sentence.

Proposed Changes

REVISE THE CURRENT RULES

**Proposed Revised Rule --- 1 CCR 205-2 Regulation # 44-20-420(3)(a)
*[recommended text below]***

1. “Material Misstatement in an Application for a License” means (a) either a written statement, a responsive mark (for example, a mark in a checkbox), or, an omission, (b) for which the applicant is responsible, (c) that is false or misleading, (d) that could affect the outcome of the board’s review of an application, and, (e) that is made in support of an application either (1) by a natural person who has an ownership, financial, or equity interest in an applicant for a class of license other than a salesperson’s license (except for a natural person whose sole relationship to the applicant is as a stockholder of a corporation that is subject to the reporting requirements of the “Securities Exchange Act of 1934,” as amended, 15 U.S.C. § 78a, et seq.), or, (2) by a natural person who has the ability to control or to exercise significant financial or operational influence over an applicant for a class of license other than a salesperson’s license.

**Proposed Revised Rule --- 1 CCR 205-2 Regulation # 44-20-420(5)(a)
*[recommended text below]***

2. “Material Misstatement in an Application for a License” means (a) either a written statement, a responsive mark (for example, a mark in a checkbox), or, an omission, (b) for which the applicant is responsible, (c) that is false or misleading, (d) that could affect the outcome of the board’s review of an application, and, (e) that is made in support of an application for a salesperson’s license by the applicant.

RULE SET 2

**“ANSI
REQUIREMENTS”**

RULE SET 2

Topic --- “ANSI Requirements”

Introductory Note: Only one rule is involved --- a Powersports Vehicle regulation that concerns the “ANSI” requirements applicable solely to four-wheel-all-terrain Powersports vehicles. The current version of this regulation is outdated substantively and in its reference and access features. Therefore, the Division recommends it be brought up-to-date and also display the applicable version of the ANSI standards for each applicable model year.

A Motor-vehicle-related current version ---

NONE EXISTS AND THERE IS NO LEGAL BASIS TO CREATE ONE

B Powersports-vehicle-related current regulation and proposed changes

Current Regulation

1 CCR 205-2 Regulation # 44-20-404(1)(I) (ANSI REQUIREMENTS) **Current Powersports-Vehicle-Related Version**

1. Beginning with 2009 model year all Four-Wheel All- Terrain Vehicles sold by persons licensed under this part 5, shall meet the American National Standard for Four-Wheel All-Terrain Vehicles, ANSI/SVIA-1-2007 Standard or a successor standard.
2. This requirement of sale shall apply only to those Four-Wheel All-Terrain Vehicles manufactured as 2009 models and all model years manufactured thereafter.
3. All Four-Wheel All-Terrain Vehicles manufactured as 2009 models and all models manufactured thereafter shall be equipped with a certification label, placed in a location that allows viewing without removing any part of the ATV. The wording of such certification label shall comply with the requirements of Section 12, of the ANSI/SVIA-1-2007 Standard.

Proposed Changes

REVISE THE CURRENT RULE

Proposed Revised Rule --- 1 CCR 205-2 Regulation # 44-20-404(1)(I) (ANSI REQUIREMENTS) **[recommended text below]**

1. The board incorporates by reference each of the following versions of the “American National Standard for Four-Wheel All-Terrain Vehicles Equipment Configuration, and Performance Requirements, developed by the Specialty Vehicle Institute of America” (ANSI/SVIA standards) to apply, according to the vehicle model year and date of manufacture, to each four-wheel all-terrain vehicle:
 - a. The ANSI/SVIA-1-2001 Standard to apply to all model year vehicles manufactured from 2001 through April 12, 2009;
 - b. The ANSI/SVIA-1-2007 Standard to apply to all model year vehicles manufactured from April 13, 2009 to April 29, 2012;
 - c. The ANSI/SVIA-1-2010 Standard to apply to all model year vehicles manufactured from April 30, 2012 through 2018;
 - d. The ANSI/SVIA-1-2017 Standard to apply to all model year vehicles manufactured in 2019 and to those vehicles manufactured subsequent to 2019 until such time as the board approves an ANSI/SVIA standard developed to replace the ANSI/SVIA-1-2017 Standard.
2. A person licensed by the board under this part 4 must sell a four-wheel all-terrain vehicle in full compliance with the appropriate ANSI/SVIA Standard based upon the vehicle’s model year and date of manufacture, except that a person is not required to comply with the ANSI/SVIA-1-2001 Standard, an Industry-initiated voluntary standard, never mandated in law.
3. The Specialty Vehicle Institute of America is the author, publisher and copyright-holder of each ANSI/SVIA standard. A certified copy of each published Standard is available for inspection during normal business hours at the Colorado Department of Revenue, Auto Industry Division, 1697 Cole Blvd., Suite 200-A, Lakewood, Colorado 80401. For a reasonable charge as set by the Specialty Vehicle Institute of America, a person can obtain a copy of an ANSI/SVIA standard either from the Auto Industry Division or directly from Specialty Vehicle Institute of America on line at <https://svia.org/>. Also for a reasonable charge, a person can obtain a certified copy of an ANSI/SVIA standard from the Specialty Vehicle Institute of America, 2 Jenner, Suite 150, Irvine, CA 92618 (949-727-3727).

RULE SET 3

**“COMPENSATION
DISCLOSURES”**

RULE SET 3
Topic --- "Compensation Disclosures"

Introductory Note: This set contains two identical rules: a Motor-vehicle-related regulation and a parallel Powersports-vehicle-related regulation. The Division recommends these rules be revised, in parallel, to conform them to modern language conventions, to remedy deficiencies, and to achieve clarity.

A Motor-vehicle-related current regulation and proposed changes.

Current Regulation

1 CCR 205-1 Regulation # 44-20-108(1)(b) COMPENSATION DISCLOSURES

1. Whenever a used motor vehicle dealer negotiates the sale, exchange, or lease of a motor vehicle or used motor vehicle not owned by the used motor vehicle dealer, the following form will be deemed adequate to satisfy the disclosure requirements of section 44-20-108(1)(b), C.R.S., for the used motor vehicle dealer. This form is an example of adequate disclosure; nothing herein shall be construed to limit permissible disclosure to the information shown.

COMPENSATION DISCLOSURES

Pursuant to Colorado law, _____ hereby discloses to _____
(used m.v. dealer) (consumer)

1. My dealership will receive compensation from the consumer. (Check one)
_____ Yes _____ No

2. My dealership will receive compensation from the owner of the vehicle if a sale, exchange or lease is concluded. (Check one)
_____ Yes _____ No _____

(NAME OF OWNER)

Used Motor Vehicle Dealer Vehicle Dealer # Authorized Dealer Signature Date

I have been provided a copy of the above disclosure prior to completion of such sale, exchange or lease of a motor vehicle not owned by the licensee

Signature of Consumer Printed Name Date

Proposed Changes

REVISE THE CURRENT RULE

Proposed Revised Rule --- 1 CCR 205-1 Regulation # 44-20-108(1)(b) **[recommended text below]**

1. When, on behalf of a consumer, a used motor vehicle dealer negotiates the sale, exchange, or lease of a used or new motor vehicle that the negotiating dealer does not own, the negotiating dealer:
 - a. shall, prior to the actual negotiation, provide to the consumer, for his or her review and signature, the original copy of a “Compensation Disclosures” document that must include all of the information on the example form, below, but may include additional information; and,
 - b. shall, at the conclusion of the negotiation, retain the original of the completed and fully-executed “Compensation Disclosures” document in its records related to the subject vehicle, and shall also provide copies of that document to the consumer and to the current owner of the subject vehicle. A current owner, which is a motor vehicle dealer or used motor vehicle dealer, must retain its copy in its own records related to the subject vehicle.
2. The current owner of a vehicle covered by this regulation shall not be a wholesaler.
3. The “Compensation Disclosures” form, below, is an example format which a negotiating dealer may use to provide the required information to satisfy the disclosure requirements.

COMPENSATION DISCLOSURES

Date the Disclosure document was prepared

Pursuant to Section 44-20-108(1)(b), C.R.S. and 1 CCR 205-1, Regulation # 44-20-108(1)(b),

_____, _____, hereby discloses to
License Name of Negotiating Used Motor Vehicle Dealer License Number

_____ that _____ will receive
Full Printed Legal Name(s) of Consumer(s) Negotiating Used Motor Vehicle Dealer

compensation from: *[mark each box that applies]* the Consumer(s)

the Current Motor Vehicle Owner

in the event that a sale, exchange, or lease is concluded for the following motor vehicle:

_____, _____, _____, _____, owned by
Year Make Model VIN

Printed Full Legal Name of Current Owner Dealer License Number
[Provide the name only when the Current Owner is a Dealer]

Signature of Authorized Representative of Negotiating Used Motor Vehicle Dealer

Printed Name of Authorized Representative of Negotiating Used Motor Vehicle Dealer

Title of Authorized Representative of Negotiating Used Motor Vehicle Dealer

Signature(s) of Consumer(s) Printed Full Legal Name(s) of Consumer(s)

Date of the Consumer(s) Signature(s)

A copy of this Compensation Disclosure must be provided to the Consumer(s) and a copy to the Current Owner of the Vehicle. If the Current Owner of the Vehicle is either another Licensed Used Motor Vehicle Dealer or a Licensed Motor Vehicle Dealer, that Current Owner must retain its copy of this Compensation Disclosures document in its files.

NOTE: A WHOLESALER CANNOT BE THE OWNER OF A VEHICLE IN THIS NEGOTIATION.

B Powersports-vehicle-related current regulation and proposed changes.

Current Regulation

1 CCR 205-2 Regulation # 44-20-408(1)(b) COMPENSATION DISCLOSURES

Whenever a used powersports vehicle dealer negotiates the sale, exchange, or lease of a powersports vehicle or used powersports vehicle not owned by the used powersports vehicle dealer, the following form will be deemed adequate to satisfy the disclosure requirements of section 44-20-408(1)(b), C.R.S., for the used powersports vehicle dealer. This form is an example of adequate disclosure; nothing herein shall be construed to limit permissible disclosure to the information shown.

COMPENSATION DISCLOSURES

Pursuant to Colorado law, _____ hereby discloses to _____
(used powersports dealer) (consumer)

1. My dealership will receive compensation from the consumer. (Check one)
_____ Yes _____ No

2. My dealership will receive compensation from the owner of the vehicle if a sale, exchange or lease is concluded. (Check one)
_____ Yes _____ No _____

(NAME OF OWNER)

Used Powersports Vehicle Dealer Dealer # Authorized Dealer Signature Date

I have been provided a copy of the above disclosure prior to completion of such sale, exchange or lease of a powersports vehicle not owned by the licensee.

Signature of Consumer Printed Name Date

Proposed Changes

REVISE THE CURRENT RULE

Proposed Revised Rule --- 1 CCR 205-2 Regulation # 44-20-408(1)(b) **[recommended text below]**

1. When, on behalf of a consumer, a used powersports vehicle dealer negotiates the sale, exchange, or lease of a used or new powersports vehicle that the negotiating dealer does not own, the negotiating dealer:
 - a. shall, prior to the actual negotiation, provide to the consumer, for his or her review and signature, the original copy of a “Compensation Disclosures” document that must include all of the information on the example form, below, but may include additional information; and,
 - b. shall, at the conclusion of the negotiation, retain the original of the completed and fully-executed “Compensation Disclosures” document in its records related to the subject vehicle, and shall also provide copies of that document to the consumer and to the current owner of the subject vehicle. A current owner, which is a powersports vehicle dealer or used powersports vehicle dealer, must retain its copy in its own records related to the subject vehicle.
2. The current owner of a vehicle covered by this regulation shall not be a wholesaler.
3. The “Compensation Disclosures” form, below, is an example format which a negotiating dealer may use to provide the required information to satisfy the disclosure requirements.

COMPENSATION DISCLOSURES

Date the Disclosure document was prepared

Pursuant to Section 44-20-408(1)(b), C.R.S. and 1 CCR 205-2, Regulation # 44-20-408(1)(b),

_____, _____, hereby discloses to
License Name of Negotiating Used Powersports Vehicle Dealer License Number

_____ that _____ will receive
Full Printed Legal Name of Consumer(s) Negotiating Used Powersports Vehicle Dealer

compensation from: *[mark each box that applies]* the Consumer(s)

the Current Motor Vehicle Owner

in the event that a sale, exchange, or lease is concluded for the following motor vehicle:

_____, _____, _____, _____, owned by
Year Make Model VIN (if applicable)

Printed Full Legal Name of Current Owner Dealer License Number
[Provide the name only when the Current Owner is a Dealer]

Signature of Authorized Representative of Negotiating Used Powersports Vehicle Dealer

Printed Name of Authorized Representative of Negotiating Used Powersports Vehicle Dealer

Title of Authorized Representative of Negotiating Used Powersports Vehicle Dealer

Signature(s) of Consumer(s) Printed Full Legal Name(s) of Consumer(s)

Date of the Consumer(s) Signature(s)

A copy of this Compensation Disclosure must be provided to the Consumer(s) and a copy to the Current Owner of the Vehicle. If the Current Owner of the Vehicle is either another Licensed Used Powersports Vehicle Dealer or a Licensed Powersports Vehicle Dealer, that Current Owner must retain its copy of this Compensation Disclosure document in its files.

NOTE: A WHOLESALER CANNOT BE THE OWNER OF A VEHICLE IN THIS NEGOTIATION.

RULE SET 4

**“LICENSEE
SELF-REPORTING
OF CRIMINAL
CONVICTIONS”**

RULE SET 4

Topic --- “Licensee Self-reporting of Criminal Convictions”

Introductory Note: two motor-vehicle-related rules and two powersports-vehicle-related rules are involved in this set of regulations on the topic of “Licensee Self-reporting of Criminal Convictions.” The Division recommends that both 1 CCR 205-1 Regulation # 44-20-121(3)(c) and 1 CCR 205-1 Regulation # 44-20-121(6)(h) be deleted and replaced by a single, new regulation: 1 CCR 205-1 Regulation # 44-20-121. Similarly, the Division recommends that both 1 CCR 205-2 Regulation # 44-20-420(3)(c) and 1 CCR 205-2 Regulation #44-20-420(5)(h) be deleted and replaced by a single, new regulation: 1 CCR 205-2 Regulation #44-20-420, to be completely parallel with the Motor Vehicle version.

A Motor-vehicle-related current regulations and proposed changes.

Current Regulations

1 CCR 205-1 Regulation # 44-20-121(3)(c)

Current Motor-Vehicle-Related Version [licensee other than a salesperson]

Dealers, wholesalers, wholesale auction dealers, officers, directors or stockholders of corporations owning five per-cent or more, licensed as such, who are convicted of or pled nolo contendere or a plea in a deferred judgment and sentence to any felony or any crime pursuant to Article 3, 4, or 5 of Title 18, C.R.S., or like crime pursuant to federal law or the law of any other state, shall provide to the board written notice of such conviction within thirty days after receiving such conviction. The licensee shall provide complete information including copies of such conviction and pre-sentence reports within thirty days of the conviction.

1 CCR 205-1 --- Regulation # 44-20-121(6)(h)

Current Motor-Vehicle-Related Version (salesperson applicant]

A salesperson who is convicted of or pled nolo contendere or a plea in a deferred judgment and sentenced to any felony or any crime pursuant to article 3, 4, or 5 of title 18, C.R.S., or like crime pursuant to federal law or the law of any other state, must give the board written notice of such conviction within thirty days after such conviction. The licensee shall provide complete information including copies of the conviction and pre-sentence reports within thirty days of the conviction.

Proposed Changes

DELETE CURRENT RULES and replace with PARALLEL NEW RULE

Proposed NEW Regulation --- 1 CCR 205-1 Regulation # 44-20-121 [recommended text below]

1. The reporting requirement of this regulation applies both (a) to a natural person with a motor vehicle salesperson's license, and, (b) to any other natural person (1) who is associated with a licensee with any other class of license issued by the board and (2) who possesses one or more of the following characteristics:
 - a. an ownership, financial or equity interest in the licensee (unless the natural person is a stockholder of a licensee that is subject to the reporting requirements of the "Securities Exchange Act of 1934," as amended, 15 U.S.C. § 78a, et seq.); or,
 - b. an ability to control the licensee or to exercise significant financial or operational influence over the licensee.
2. With respect to a natural person specified above, a licensee is responsible to ensure that the board receives written notice of any criminal court case that resulted in: (a) a conviction, plea, or deferment of any felony; or, (b) a conviction, plea, or deferment of either a felony or a misdemeanor pursuant to article 3, 4, or 5 of title 18, C.R.S. or a like crime pursuant to federal law or the law of any other state.
3. A licensee:
 - a. must ensure that the board receives the written notice no later than thirty calendar days after a conviction, plea, or deferment; and,
 - b. must enclose certified copies of court documents with the licensee's written notice, including, but not limited to the charging document (an indictment, information, or other notice of charges), a pre-sentencing investigation report (if available), and, documents that reveal the resolution of the case (for example, a plea agreement, a conviction, a deferment, or a sentence of the court).

B Powersports-vehicle-related current regulations and proposed changes

Current Regulations

1 CCR 205-2 Regulation # 44-20-420(3)(c)

Current Powersports-Vehicle-Related Version [licensee other than a salesperson]

Dealers, officers, directors or stockholders of corporations owning five per-cent or more, licensed as such, who are convicted of or pled nolo contendere or a plea in a deferred judgment and sentence to any felony or any crime pursuant to Article 3, 4, or 5 of Title 18, C.R.S., or like crime pursuant to federal law or the law of any other state, shall provide to the board written notice of such conviction within thirty days after receiving such conviction. The licensee shall provide complete information including copies of such conviction and pre-sentence reports within thirty days of the conviction.

1 CCR 205-2 Regulation #44-20-420(5)(h)
Current Powersports-Vehicle-Related Version (salesperson applicant)

A powersports salesperson who is convicted of or pled nolo contendere or a plea in a deferred judgment and sentence to any felony or any crime pursuant to article 3, 4, or 5 of title 18, C.R.S., or like crime pursuant to federal law or the law of any other state, must give the board written notice of such conviction within thirty days after such conviction. The licensee shall provide complete information including copies of the conviction and pre-sentence reports within thirty days of the conviction.

Proposed Changes

DELETE CURRENT RULES and replace with NEW PARALLEL RULE

Proposed NEW Regulation --- 1 CCR 205-2 Regulation # 44-20-420
[recommended text below]

1. The reporting requirement of this regulation applies both (a) to a natural person with a powersports vehicle salesperson's license, and, (b) to any other natural person (1) who is associated with a licensee with any other class of license issued by the board and (2) who possesses one or more of the following characteristics:
 - a. an ownership, financial or equity interest in the licensee (unless the natural person is a stockholder of a licensee that is subject to the reporting requirements of the "Securities Exchange Act of 1934," as amended, 15 U.S.C. § 78a, et seq.); or,
 - b. an ability to control the licensee or to exercise significant financial or operational influence over the licensee.
2. With respect to a natural person specified above, a licensee is responsible to ensure that the board receives written notice of any criminal court case that resulted in: (a) a conviction, plea, or deferment of any felony; or, (b) a conviction, plea, or deferment of either a felony or a misdemeanor pursuant to article 3, 4, or 5 of title 18, C.R.S. or a like crime pursuant to federal law or the law of any other state..
3. A licensee:
 - a. must ensure that the board receives the written notice no later than thirty calendar days after a conviction, plea, or deferment; and,
 - b. must enclose certified copies of court documents with the licensee's written notice, including, but not limited to the charging document (an indictment, information, or other notice of charges), a pre-sentencing investigation report (if available), and, documents that reveal the resolution of the case (for example, a plea agreement, a conviction, a deferment, or a sentence of the court).

RULE SET 5

**‘ISSUING,
RE-ISSUING AND
POSTING LICENSES’**

RULE SET 5

Topic --- “Issuing, Re-issuing, and Posting Licenses”

Introductory Note: This is a “set” with a Motor-vehicle-related regulation and a parallel Powersports-vehicle-related regulation. The Division recommends merging these rules into two other existing rules to achieve a more comprehensive set of rules that will track procedures already in use and clarify responsibilities.

A Motor-vehicle-related current regulations and proposed changes.

Current Regulation on 2019 Regulatory Agenda

1 CCR 205-1 Regulation # 44-20-121(6)(f) REISSUE OF SALESPERSON LICENSES

1. Salespersons who change employment during their license year shall notify the Auto Industry Division, on the form prescribed by the Board, of the identity of the new employer prior to commencing employment at the new dealership.
2. Upon the submission of the notification, acknowledged by the new employing dealer, the salesperson may begin working as a salesperson at the new employing dealership.
3. After receipt of notification, the Auto Industry Division shall issue a new license to the salesperson for the remainder of the license term.
4. Any salesperson who fails to provide timely notification may be subject to disciplinary action.

Current Regulation to be added to 2019 Regulatory Agenda, if Proposed Amalgamation of Rules Occurs

1 CCR 205-1 Regulation # 44-20-110

All current and active licenses of any class issued by the board must be conspicuously displayed in an area that is in public view at the motor vehicle dealer's or used motor vehicle dealer's place or places of business.

Proposed Changes

AMALGAMATE TWO RULES AND REVISE THE TEXT

Proposed Revised, Amalgamated Rule --- 1 CCR 205-1 Regulation # 44-20-110 **[recommended text below]**

1. All current and active licenses, including temporary licenses, of any class issued by the board must be conspicuously displayed in an area that is in public view at the motor vehicle dealer's or used motor vehicle dealer's place or places of business.
2. When the board issues a salesperson's license that is not a temporary license, the dealer associated with the salesperson's license shall do the following upon receipt of the license document: (a) take charge of the actual license portion in order to display that portion in accordance with this regulation; and, (b) hand over the "Change of Employer Notification" portion of the license document to the salesperson.
3. Within ten calendar days of the end of a salesperson's working relationship with a dealer, both the dealer and the salesperson shall, independently, notify the board, in writing, of the date the relationship ended, and the dealer shall also return to the board the actual license portion of the salesperson's license.
4. If a salesperson chooses to transfer his or her working relationship to a new dealer for the remainder of the salesperson's license year, he or she must submit a "Change of Employer Notification" to the board, along with any other required documents and a remittance to cover the license-reissue fee. Because the former dealer may cancel the bond associated with the remainder of the salesperson's license year, the salesperson must take any necessary steps to ensure that a valid salesperson's bond will be in effect.
5. A salesperson shall not engage in sales activities until the dealer conspicuously displays the license of the salesperson in accordance with this regulation.

B Powersports-vehicle-related current regulations and proposed changes.

Current Regulation on 2019 Regulatory Agenda

1 CCR 205-2 Regulation # 44-20-420(5)(f) Reissue of Powersports Salesperson Licenses

1. Salespersons who change employment during their license year shall notify the Auto Industry Division, on the form prescribed by the board, of the identity of the new employer prior to commencing employment at the new dealership.

2. Upon the submission of the notification, acknowledged by the new employing dealer, the salesperson may begin working as a salesperson at the new employing dealership.
3. After receipt of notification, the Auto Industry Division shall issue a new license to the salesperson for the remainder of the license term with the new employing dealership.
4. Any salesperson who fails to provide timely notification may be subject to disciplinary action.

Current Regulation to be added to 2019 Regulatory Agenda, if Proposed Amalgamation of Rules Occurs

1 CCR 205-2 Regulation # 44-20-410

All current and active licenses of any class issued by the board must be conspicuously displayed in an area that is in public view at the powersports vehicle dealer's or used powersports vehicle dealer's place or places of business.

Proposed Changes

AMALGAMATE TWO RULES AND REVISE THE TEXT

Proposed Revised, Amalgamated Rule --- 1 CCR 205-2 Regulation # 44-20-410
[recommended text below]

1. All current and active licenses, including temporary licenses, of any class issued by the board must be conspicuously displayed in an area that is in public view at the powersports vehicle dealer's or used powersports vehicle dealer's place or places of business.
2. When the board issues a salesperson's license that is not a temporary license, the dealer associated with the salesperson's license shall do the following upon receipt of the license document: (a) take charge of the actual license portion in order to display that portion in accordance with this regulation; and, (b) hand over the "Change of Employer Notification" portion of the license document to the salesperson.
3. Within ten calendar days of the end of a salesperson's working relationship with a dealer, both the dealer and the salesperson shall, independently, notify the board, in writing, of the date the relationship ended, and the dealer shall also return to the board the actual license portion of the salesperson's license.
4. If a salesperson chooses to transfer his or her working relationship to a new dealer for the remainder of the salesperson's license year, he or she must submit a "Change of Employer Notification" to the board, along with any other required documents and a remittance to cover the license-reissue fee. Because the former dealer may cancel the bond associated with the remainder of the salesperson's license year, the salesperson must take any necessary steps to ensure that a valid salesperson's bond will be in effect.
5. A salesperson shall not engage in sales activities until the dealer conspicuously displays the license of the salesperson in accordance with this regulation.