

**SENATE . . . . . No. 2324**

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**The Commonwealth of Massachusetts**

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**In the Year Two Thousand Ten**  
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An Act regarding education requirements for class 2 motor vehicle licensees.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. Section 58 of Chapter 140 of the General Laws, as appearing in the 2004  
2 Official Edition, is hereby amended by inserting after clause (8) of subsection (c) the following:

3 That such person attends sixteen hours of educational training related to the rules,  
4 regulations, and laws pertaining to the used car industry which is provided by an organization  
5 certified by the office of Consumer Affairs and Business Regulation to provide educational  
6 training. The office of Consumer Affairs and Business Regulation shall establish the minimum  
7 core curriculum to be presented by certified training organizations and establish a standardized  
8 test which shall be administered by all certified educational training organizations to persons  
9 attending the educational training. Upon successful completion of the training, and obtaining a  
10 passing grade the organization providing the training shall issue a class 2 education certificate to  
11 the person. A said Class 2 education certificate shall be developed by the Office of Consumer  
12 Affairs and Business Regulation and include on the face a certificate number. All certified  
13 training organizations shall record the name and certificate number of all certificates issued to  
14 applicants successfully completing the educational training. A municipal licensing authority

15 shall not issue or renew a class 2 license unless a class 2 education certificate is presented to the  
16 licensing authority. All class 2 licensees who have successfully obtained a class 2 education  
17 certificate shall thereafter annually attend 4 hours of continuing educational training. Class 2  
18 licensees shall be issued a continuing education certificate which shall also be a condition  
19 precedent to obtaining a class 2 license.

20           The dealer's business is situated within a permanent building or permanently affixed  
21 structure, owned or leased by the dealer for the dealer's exclusive use. Except for a dealer who  
22 exchanges vehicles or trailers solely on a wholesale basis, the dealer shall be open to the public  
23 at least 40 hours per week. The building, structure, shall have adequate office space to conduct  
24 the business with a minimum of 600 square feet and hours of operation shall be posted. If more  
25 than one business is located within the same building or structure, the dealer shall maintain a  
26 separate and exclusive entrance. Subject to any municipal regulation, ordinance or bylaw, and  
27 except for a dealer who exchanges motor vehicles or trailers solely on a wholesale basis, the  
28 dealer shall display a permanently affixed exterior sign of sufficient size and design to give the  
29 general public notice of the name, telephone number and nature of the business. Except for a  
30 dealer who exchanges motor vehicles or trailers solely on a wholesale basis, the dealer shall have  
31 an area to display the vehicles offered for sale, which cannot be shared with any other business  
32 unless a clear physical separation exists. Vehicles cannot be offered for sale at any other  
33 location; however, this shall not prohibit a dealer from transporting and offering vehicles for sale  
34 at a recognized automobile auction facility, or a combined dealer special sale event. A municipal  
35 licensing authority shall issue only one Class 2 license for a building at a specific street address.

36           If a dealer does not have a repair facility a service agreement must be provided from a  
37 mechanical facility, which will be used by the dealer to obtain stickers and repairs.

38           SECTION 2. Notwithstanding any general or special law to the contrary the Registry of  
39 Motor Vehicles is hereby directed to establish a standard application form for applicants for a  
40 Class 2 license pursuant to Section 58 of Chapter 140 which shall be utilized by all licensing  
41 authorities issuing said Class 2 license. The application shall include, but not be limited to, the  
42 name and address of the applicant, the name and address of the motor vehicle dealership, a box  
43 to be checked confirming evidence of a \$25,000 bond and its certificate number or equivalent  
44 certificate of deposit or irrevocable letter of credit, a box to be checked confirming compliance  
45 with Class 2 licensee education requirements including the education certificate number, a box to  
46 be checked for wholesale dealer which shall include the following text “a checkmark in this box  
47 shall prohibit such licensee from selling motor vehicles to the retail public”. The municipal  
48 licensing authority shall clearly indicate on the Class 2 license for wholesale only. A Class 2  
49 licensee with a wholesale only license who sells at retail shall be subject to a fine of \$5000  
50 payable to the municipal licensing authority and immediate revocation of the Class 2 license by  
51 the licensing authority. The municipal licensing authority shall transmit a copy of said  
52 completed application to the Registrar of Motor Vehicles and to the Department of Revenue.