

Vehicle Sales Authority of British Columbia

Issue 6 February 20, 2018

2018 Motor Dealer Act Amendments Part 3 of 4

The following changes began with the *Motor Dealer Amendment Act* that was approved in May 2016. Some <u>portions of the</u> <u>Act</u> came into force immediately, but key features come into force this year. Important changes as of April 1 include:

eCommerce

The amendments clarify that a dealer will be doing business from its premises using electronic means, as long as the vehicles it advertises for sale are in its inventory.

Inventory Defined More Clearly As

- New vehicles in the possession of the dealer or those the manufacturer controls and the motor dealer has authority to sell
- Used vehicle owned by and in the possession of the dealer
- A consigned vehicle the dealer is authorized to sell under a consignment agreement made in accordance with the *Motor Dealer Consignment Sales Regulation*

Motor Dealer Act Exemptions Clarified

- Wholesale auctions must now meet several conditions to be exempt, such as ensuring only certain persons can bid
- Large horse trailers and toy haulers, which also provide accommodation for use during recreation or travel, are not exempt. Only utility trailers with a gross vehicle weight rating (GVWR) of 1400 kg or less will remain exempt. For consistency, this GVWR matches a weight class in the *Motor Vehicle Act*
- The only exemption for someone selling a vehicle "as an incident of their regular business" is for vehicles seized under the Repairers Lien Act or the Warehouse Lien Act

Salesperson Licensing Regulation – Added Fairness

The new Regulation clarifies what a salesperson must provide for a licence or a renewal. The right of an applicant to be heard before a decision is made and a requirement that the VSA provide written reasons for refusing or revoking a licence were added.

- Part 1 Motor Dealer Act administrative penalties
- Part 2 Motor Dealer Customer Compensation Fund changes
- Part 4 Wholesaler, Broker Agent and Broker Agent Representative licensing as of April 1

Motor Dealer Act as revised January 1, 2018

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