

**7400.1700 DEALER LICENSE SUSPENSION.**

Subpart 1. **Grounds for suspension.** Suspension is the short-term withdrawal of a dealer license under Minnesota Statutes, section 168.27, subdivision 12. The registrar shall suspend a dealer license when there is sufficient cause to believe that the dealer has been convicted of a crime, has committed an act, or has failed to perform a duty as follows:

A. The dealer willfully violates a provision of Minnesota Statutes, chapter 168, or this chapter that is not specifically set out in parts 7400.1600, 7400.1800, and 7400.1900.

B. The dealer willfully violates or refuses to comply with a lawful request or order of the registrar.

C. The dealer is convicted of a gross misdemeanor related to the business of buying or selling motor vehicles or motor vehicle parts. If the gross misdemeanor conviction is from another jurisdiction, the registrar may not revoke unless the action or omission of the dealer would constitute a gross misdemeanor under Minnesota Statutes.

Subp. 2. **Description of willfully.** For purposes of this part, the term "willfully":

A. describes an intentional act or omission by a dealer when the dealer knows or should reasonably know that the act or omission violates a law, rule, request, or order and the dealer is able to comply with the law, rule, request, or order; and

B. also describes an act or omission by a dealer, whether intentional or unintentional, when:

(1) the dealer uses a business practice that makes it likely that the act or omission will occur;

(2) the registrar has given written notice to the dealer within the past three years that the dealer license may be suspended or revoked if the business practice is not corrected;

(3) the dealer has failed to correct the business practice within a reasonable time after receiving the notice; and

(4) the dealer's failure to correct the business practice is a significant factor in causing the act or omission.

Subp. 3. **Suspension period and effect.** A dealer license is not valid during a suspension. When a dealer license is suspended, the dealer shall immediately surrender the dealer license certificate, all dealer license plates, and all temporary vehicle permits. After a suspension period ends, the registrar shall return the dealer license certificate, dealer license plates, and temporary vehicle permits. A suspension period ends after the

last day of the period regardless of whether this day falls on a Saturday or legal holiday. The suspension period is as follows:

A. The suspension period is seven days, if there are no suspensions under subpart 1 on the dealer's record within the past five years. The suspension period may be shortened if mitigating circumstances indicate that a shorter suspension period is appropriate. The suspension period must be at least three days.

B. The suspension period is 14 days, if there is one suspension under subpart 1 on the dealer's record within the past five years. The suspension period may be shortened if mitigating circumstances indicate that a shorter suspension period is appropriate. The suspension period must be at least seven days.

C. The suspension period is 28 days, if there are two suspensions under subpart 1 on the dealer's record within the past five years. The suspension period may be shortened if mitigating circumstances indicate that a shorter suspension period is appropriate. The suspension period must be at least 14 days.

D. When a suspension period is shortened based on mitigating circumstances, the registrar shall in writing identify the mitigating circumstances and give the reason for shortening the suspension period.

E. The suspension of a dealer license is on the record of the suspended dealer. The suspension of a dealer license is also on the record of another dealer if an owner, officer, or board member of the other dealer was an owner, officer, or board member of the suspended dealer at the time of the acts leading to the suspension.

F. When a suspension is imposed for a continuing violation, the suspension must last until the suspension period determined under items A to E expires or until the violation is corrected, whichever is later.

**Statutory Authority:** *MS s 299A.01*

**History:** *19 SR 157*

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