

**7400.1800 DEALER LICENSE CANCELLATION.**

Subpart 1. **Grounds for cancellation.** Cancellation is the withdrawal of a dealer license during the period of time the dealer does not meet all dealer license requirements. The registrar shall cancel a dealer license when there is sufficient cause to believe that the dealer does not meet a dealer license requirement as follows:

A. The dealer holds a new motor vehicle dealer, used motor vehicle dealer, vehicle salvage pool, motor vehicle lessor, motor vehicle wholesaler, or motor vehicle auctioneer license and the dealer fails to have a surety bond as required by Minnesota Statutes, section 168.27, subdivision 24.

B. The dealer fails to provide or maintain the insurance required under Minnesota Statutes, chapter 65B.

C. The dealer pays its dealer license fee with a negotiable instrument that is not honored by the financial institution on which it is drawn.

D. The dealer's established place of business fails to meet the requirements of parts 7400.4000 to 7400.4300 and Minnesota Statutes, section 168.27, subdivision 10.

E. An owner, officer, or board member of the dealer is an owner, officer, or board member of another licensed dealer whose license is revoked. The registrar shall not cancel a license if the revocation period has elapsed.

F. A person is added as an owner, officer, or board member of the dealer and the person has been enjoined or convicted for a violation listed in Minnesota Statutes, section 168.27, subdivision 11. If the dealer can show that the person has met the conditions of Minnesota Statutes, chapter 364, the registrar shall not cancel the license.

Subp. 2. **Cancellation period and effect.** A dealer license is not valid after it is canceled and before it is reinstated. When a dealer license is canceled, the dealer shall immediately surrender the dealer license certificate, all dealer license plates, and all temporary vehicle permits. The registrar shall reinstate the dealer license if the dealer, within 60 days of the license cancellation, corrects the problem that caused the registrar to cancel the license.

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

**History:** *19 SR 157*

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