

STATE OF NEW YORK

7400

2025-2026 Regular Sessions

IN SENATE

April 15, 2025

Introduced by Sen. COONEY -- read twice and ordered printed, and when printed to be committed to the Committee on Transportation

AN ACT to amend the vehicle and traffic law and the state finance law, in relation to used motor vehicle dealer education

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. The vehicle and traffic law is amended by adding a new
2 section 419-b to read as follows:

3 § 419-b. Used motor vehicle dealer education program. 1. For purposes
4 of this section, the following terms shall be defined as follows:

5 (a) "Designated individual" means any of the following individuals, if
6 they are selected by an eligible used motor vehicle dealer to complete a
7 training program described in this section:

8 (i) an individual who is a licensed eligible used motor vehicle dealer
9 or a partner or officer of a licensed eligible used motor vehicle deal-
10 er; or

11 (ii) an individual who is an employee of a licensed eligible used
12 motor vehicle dealer, such as a general manager, a sales manager, or an
13 employee who is responsible for preparing title documents for the deal-
14 er.

15 (b) "Eligible used motor vehicle dealer" means a person who is
16 licensed as a used motor vehicle dealer, or is applying for licensure as
17 a used motor vehicle dealer, and is not an owner, partner, corporate
18 officer, or director of a licensed new motor vehicle dealer or seeking
19 licensure as an owner, partner, corporate officer, or director of a new
20 motor vehicle dealer.

21 (c) "Fund" means the used motor vehicle dealer training program fund
22 created under section ninety-nine-ss of the state finance law.

23 (d) "Qualified trade organization" means a bona fide nonprofit member-
24 ship organization that is based in this state, that has been in exist-

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 ence for at least five years, and whose members are primarily eligible
2 used motor vehicle dealers.

3 2. The commissioner shall establish each of the following used motor
4 vehicle dealer training programs for eligible used motor vehicle deal-
5 ers:

6 (a) A pre-licensing dealer training program that meets all of the
7 following requirements:

8 (i) is available to any individual who is an eligible used motor vehi-
9 cle dealer applying for an original dealer license or is a partner or
10 officer of an eligible used motor vehicle dealer applying for an
11 original dealer license; and

12 (ii) includes training related to this section and any other subject
13 matter approved by the commissioner, such as consumer protection and
14 sales and use tax collection. The commissioner may consult with other
15 departments to evaluate and develop course content which the commis-
16 sioner considers appropriate.

17 (b) A training program for designated individuals that meets all of
18 the following:

19 (i) is offered at least two times each calendar year;

20 (ii) is available to any designated individual; and

21 (iii) includes at least eight hours of pre-licensing training in
22 transferring motor vehicle titles, documentation of title transfers,
23 record keeping, and any other subject matter considered appropriate by
24 the commissioner, such as consumer protection and sales and use tax
25 collection. The commissioner may consult with other departments to eval-
26 uate and develop course content it considers appropriate.

27 (c) A continuing education training program that meets all of the
28 following:

29 (i) is conducted at least two times in each calendar quarter;

30 (ii) includes at least four hours of training; and

31 (iii) includes subject matter considered appropriate by the commis-
32 sioner, such as transferring motor vehicle titles, documentation of
33 title transfers, record keeping, consumer protection, and sales and use
34 tax collection. The commissioner may consult with other departments it
35 considers appropriate to evaluate and develop course content.

36 3. In the six month period preceding the date of the application for
37 an original eligible used motor vehicle dealer license, each individual
38 who is the applicant, each partner of the applicant, or each office of
39 the applicant, as applicable, for the original eligible used motor vehi-
40 cle dealer license shall complete the pre-licensing dealer training
41 program described in paragraph (a) of subdivision two of this section.
42 This subdivision does not apply to any of the following:

43 (a) an applicant, or application, for the renewal of an eligible used
44 motor vehicle dealer license;

45 (b) the holder of an original eligible used motor vehicle dealer
46 license that was granted before, and is valid, on the effective date of
47 this section; or

48 (c) the owner, partner, corporate officer, or director of a new vehi-
49 cle dealer license.

50 4. An eligible used motor vehicle dealer shall select a designated
51 individual for each of its retail sales locations. An eligible used
52 motor vehicle dealer shall not select the same individual as the desig-
53 nated individual for more than three retail sales locations.

54 5. The holder of an original or renewed eligible used motor vehicle
55 dealer license that was granted before, and is valid on the effective

1 date of this section shall comply with the provisions of subdivision
2 three of this section prior to the date of the next required renewal.

3 6. In addition to the training program described in paragraph (b) of
4 subdivision two of this section, an eligible used motor vehicle dealer
5 shall ensure that a designated individual completes the continuing
6 education training program described in paragraph (c) of subdivision two
7 of this section once in each twenty-four month period after the date of
8 issuance of its original license.

9 7. The training requirements described in subdivisions two, three and
10 five of this section may be satisfied by attending a training program
11 that is conducted by the department of a qualified trade organization
12 approved by the commissioner under subdivision nine of this section.

13 8. A qualified trade organization may apply to the commissioner for
14 approval to conduct the training programs described in subdivision two
15 of this section. A qualified trade organization shall not conduct a
16 training program unless it obtains the approval from the commissioner
17 under subdivision nine of this section. The commissioner shall develop
18 and make available an application form within thirty days of the effec-
19 tive date of this section.

20 9. (a) The commissioner shall establish an application procedure for a
21 qualified trade organization to obtain approval to conduct the training
22 programs described in subdivision two of this section that includes all
23 of the following requirements:

24 (i) any documentation required for establishing that the applicant is
25 a qualified trade organization;

26 (ii) a training program plan or curriculum for each training program
27 the qualified trade organization intends to conduct that is consistent
28 with the training programs described in subdivision two of this section;
29 and

30 (iii) any other information or requirements the commissioner considers
31 necessary for purposes of approving an application.

32 (b) Not later than thirty days after receiving an application under
33 this subdivision from a qualified trade organization to conduct training
34 programs under this section, the commissioner shall approve or deny the
35 application. The commissioner shall provide the approval or denial in
36 writing and, if denied, shall state the reasons for the denial. Regard-
37 less of the reason for denial, the applicant may resubmit the applica-
38 tion correcting the deficiencies identified in the denial letter. The
39 commissioner shall have ten business days to review a resubmitted appli-
40 cation and either approve or deny the application. If a resubmitted
41 application is denied, the denial must be in writing to the applicant
42 and the applicant must have an opportunity to correct any deficiencies
43 identified in the denial letter.

44 (c) The training programs established by the department or any train-
45 ing program approved under this subdivision may be conducted in person,
46 online or by other electronic means.

47 10. The department shall periodically monitor all training programs
48 approved under subdivision nine of this section for compliance with the
49 requirements of the training programs described in subdivision two of
50 this section. If a qualified trade organization that has received the
51 approval to conduct a training program or programs fails to comply with
52 the requirements of the training programs, the commissioner may, after
53 notice and hearing, suspend or revoke the approval.

54 11. The department shall not renew the license of an eligible used
55 motor vehicle dealer unless the application for renewal includes a

1 certification from the dealer that it is in compliance with the training
2 requirements applicable under this section.

3 12. The department may charge a qualified trade organization an annual
4 fee for applying for approval to conduct training programs under this
5 section. Such annual fee shall be:

6 (a) an initial application fee of up to five hundred dollars to be
7 determined by the commissioner; and

8 (b) an application renewal fee in an amount not to exceed fifty
9 percent of the initial application fee.

10 13. A qualified trade organization that received approval to conduct a
11 training program shall do all of the following:

12 (a) notify the department of the date, time, and location of a train-
13 ing program at least three days prior to conducting the training
14 program. All training programs must be made available to the department;

15 (b) report to the department a list of all participants that completed
16 the training program in an electronic format; and

17 (c) remit to the department a payment of five dollars per training
18 program participant.

19 14. The fees collected by the department under subdivision twelve of
20 this section shall be deposited in the used motor vehicle dealer train-
21 ing program fund created under section ninety-nine-ss of the state
22 finance law.

23 15. The commissioner shall promulgate rules and regulations to effec-
24 tuate the provisions of this section.

25 § 2. The state finance law is amended by adding a new section 99-ss to
26 read as follows:

27 § 99-ss. Used motor vehicle dealer training program fund. 1. There is
28 hereby established in the joint custody of the state comptroller and the
29 commissioner of motor vehicles a fund to be known as the "used motor
30 vehicle dealer training program fund".

31 2. The fund shall consist of all moneys received by the department of
32 motor vehicles under section four hundred nineteen-b of the vehicle and
33 traffic law and any other moneys appropriated therefor.

34 3. Moneys from the fund shall be available to administer the
35 provisions of section four hundred nineteen-b of the vehicle and traffic
36 law. Monies shall be paid out of the fund on the audit and warrant of
37 the comptroller on vouchers approved by the commissioner of motor vehi-
38 cles. Any interest received by the comptroller on monies on deposit in
39 the used motor vehicle dealer training program fund shall be retained in
40 and become part of such fund.

41 § 3. This act shall take effect on the thirtieth day after it shall
42 have become a law.