

Dear Senators DEN HARTOG, Woodward, Nelson, and  
Representatives PALMER, DeMordaunt, Gannon:

The Legislative Services Office, Research and Legislation, has received the enclosed rules of  
the Idaho Transportation Department:

IDAPA 39.02.02 - Rules Governing Vehicle and Vessel Dealer License Requirements – Motor  
Vehicles (ZBR Chapter Rewrite) - Proposed Rule (Docket No. 39-0202-2201).

Pursuant to Section 67-454, Idaho Code, a meeting on the enclosed rules may be called by the  
cochairmen or by two (2) or more members of the subcommittee giving oral or written notice to Research  
and Legislation no later than fourteen (14) days after receipt of the rules' analysis from Legislative  
Services. The final date to call a meeting on the enclosed rules is no later than 08/29/2022. If a meeting is  
called, the subcommittee must hold the meeting within forty-two (42) days of receipt of the rules' analysis  
from Legislative Services. The final date to hold a meeting on the enclosed rules is 09/26/2022.

The germane joint subcommittee may request a statement of economic impact with respect to a  
proposed rule by notifying Research and Legislation. There is no time limit on requesting this statement,  
and it may be requested whether or not a meeting on the proposed rule is called or after a meeting has  
been held.

To notify Research and Legislation, call 334-4854, or send a written request to the address on the  
memorandum attached below.



**Terri Kondeff**  
Director

# Legislative Services Office Idaho State Legislature

*Serving Idaho's Citizen Legislature*

## MEMORANDUM

**TO:** Rules Review Subcommittee of the Senate Transportation Committee and the House Transportation & Defense Committee  
**FROM:** Senior Legislative Drafting Attorney - Matt Drake  
**DATE:** August 10, 2022  
**SUBJECT:** Idaho Transportation Department

IDAPA 39.02.02 - Rules Governing Vehicle and Vessel Dealer License Requirements -- Motor Vehicles (ZBR Chapter Rewrite) - Proposed Rule (Docket No. 39-0202-2201)

### Summary and Stated Reasons for the Rule

The Idaho Transportation Department submits notice of proposed rulemaking at IDAPA 39.02.02 - Rules Governing Vehicle and Vessel Dealer License Requirements -- Motor Vehicles. The Department states that it is rewriting this chapter pursuant to the Governor's Red Tape Reduction Initiative, per the Zero-Based Regulation E.O. 2020-01, and the Department's 5-year review schedule. The Department states that the goal of this rulemaking is to remove obsolete language, eliminate unnecessary restrictions, provide clarity, and update the chapter. Language regarding off-premise sales activities is removed by the rewrite. However, there appear to be no substantive changes.

### Negotiated Rulemaking / Fiscal Impact

Negotiated rulemaking was conducted. There is no fiscal impact associated with this rulemaking.

### Statutory Authority

The proposed rule changes appear to be within the statutory authority granted pursuant to Sections 40-312 and 49-201, Idaho Code.

cc: Idaho Transportation Department  
Ramon Hobdey-Sanchez

### \*\*\* PLEASE NOTE \*\*\*

Per the Idaho Constitution, all administrative rules may be reviewed by the Legislature during the next legislative session. The Legislature has 3 options with this rulemaking docket: **1)** Approve the docket in its entirety; **2)** Reject the docket in its entirety; or **3)** Reject the docket in part.

Paul Headlee, Deputy Director    Kristin Ford, Manager    Keith Bybee, Manager    April Renfro, Manager    Glenn Harris, Manager  
Legislative Services Office    Research & Legislation    Budget & Policy Analysis    Legislative Audits    Information Technology

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**IDAPA 39 – IDAHO TRANSPORTATION DEPARTMENT**

**39.02.02 – RULES GOVERNING VEHICLE AND VESSEL DEALER  
LICENSE REQUIREMENTS – MOTOR VEHICLES**

**DOCKET NO. 39-0202-2201 (ZBR CHAPTER REWRITE)**

**NOTICE OF RULEMAKING – PROPOSED RULE**

**AUTHORITY:** In compliance with Sections 67-5221(1), Idaho Code, notice is hereby given that this agency has initiated proposed rulemaking procedures. The action is authorized pursuant to Sections 40-312 and 49-201, Idaho Code.

**PUBLIC HEARING SCHEDULE:** Public hearing(s) concerning this rulemaking will be scheduled if requested in writing by twenty-five (25) persons, a political subdivision, or an agency, not later than August 17, 2022.

The hearing site(s) will be accessible to persons with disabilities. Requests for accommodation must be made not later than five (5) days prior to the hearing, to the agency address below.

**DESCRIPTIVE SUMMARY:** The following is a nontechnical explanation of the substance and purpose of the proposed rulemaking:

In support of the Governor’s Red Tape Reduction Initiative, eight chapters under IDAPA Title 39 were up for review this year per the [Zero-Based Regulation E. O. 2020-01](#) and the [Department’s 5-year review schedule](#). The goal of these rulemakings is to make changes and modifications that remove obsolete language, eliminate unnecessary restrictions, provide clarity and update the respective chapters.

**FEE SUMMARY:** The following is a specific description of the fee or charge imposed or increased: N/A.

**FISCAL IMPACT:** The following is a specific description, if applicable, of any negative fiscal impact on the state general fund greater than ten thousand dollars (\$10,000) during the fiscal year: This rulemaking is not anticipated to have any fiscal impact on the state general fund because the FY2023 budget has already been set by the Legislature, and approved by the Governor, anticipating the existence of the rules and fees being reauthorized by this rulemaking.

**NEGOTIATED RULEMAKING:** Pursuant to Section 67-5220(1), Idaho Code, negotiated rulemaking was conducted under docket 39-ZBRR-2201. The Notice of Intent to Promulgate Rules – Negotiated Rulemaking was published in the May 4, 2022, Idaho Administrative Bulletin, [Vol. 22-5, pages 88-89](#).

**INCORPORATION BY REFERENCE:** Pursuant to Section 67-5229(2)(a), Idaho Code, the following is a brief synopsis of why the materials cited are being incorporated by reference into this rule: N/A.

**ASSISTANCE ON TECHNICAL QUESTIONS, SUBMISSION OF WRITTEN COMMENTS:** For assistance on technical questions concerning the proposed rule, please contact Ramón S. Hobdey-Sánchez at (208) 334-8810.

Anyone may submit written comments regarding this proposed rulemaking. All written comments must be directed to the undersigned and must be delivered on or before August 24, 2022.

DATED this 7th Day of July, 2022.

Ramón S. Hobdey-Sánchez, J.D.  
Office of Governmental Affairs  
Idaho Transportation Department  
11331 W. Chinden Blvd., Boise, ID 83714  
[ramon.hobdey-sanchez@itd.idaho.gov](mailto:ramon.hobdey-sanchez@itd.idaho.gov)  
208.334.8810

**THE FOLLOWING IS THE PROPOSED TEXT OF DOCKET NO. 39-0202-2201**  
**(Zero Based Regulation (ZBR) Chapter Rewrite)**

**39.02.02 – RULES GOVERNING VEHICLE AND VESSEL DEALER**  
**LICENSE REQUIREMENTS – MOTOR VEHICLES**

**000. LEGAL AUTHORITY.**

Sections 49-1602, and 49-1606(7), Idaho Code. ( )

**001. SCOPE.**

This rule clarifies the requirements for the issuance of dealer licenses and specifies other provisions for licenses and fees. ( )

**002. -- 099. (RESERVED)**

**100. DEALER LICENSE REQUIREMENTS.**

A dealer license is needed in the following situations: ( )

**01. Seller Not Titled Owner.** Selling or exchanging; or ( )

**02. Maximum Sales.** Selling, or exchanging, or soliciting the sale of five (5) or more vehicles or vessels in any one (1) calendar year even though titled in seller's name; or ( )

**03. Display for Sale.** Displaying for sale or exchange, five (5) or more vehicles or vessels at any one (1) time even though titled in the displayer's name; or ( )

**04. Displaying Vehicles or Vessels.** Displaying vehicles or vessels for sale, exchange or consign on property not legally controlled by the owner of the vehicle or vessel. ( )

**101. SALESPERSON LICENSE.**

Dealers will not allow a person to act as a salesperson in their behalf unless such person holds a valid salesperson license containing a current photograph of the salesperson, and the date of expiration of the salesperson's license. ( )

**01. Temporary Salesperson.** A new or transferring salesperson may act as a temporary salesperson for a sponsoring dealer for a period, not to exceed sixty (60) days, if the person submits an application with the appropriate fee. ( )

**02. Temporary Salesperson Sales Authorization.** A copy of the application must be carried by the temporary salesperson as authorization to act as a salesperson. ( )

**102. -- 299. (RESERVED)**

**300. REQUEST FOR REFUND OF DEALER OR SALESPERSON LICENSING FEES.**

The Department will only process requests for refunds of licensing fees if: ( )

**01. Application Denial.** The application is denied prior to the issuance of a temporary license. ( )

**02. Prior to License Issuance.** The applicant requests a refund prior to the issuance of a license. ( )

**03. Prior to Renewal Issuance.** The licensee pays a renewal license fee and then requests a refund prior to the issuance of the renewed license. ( )

**04. Over-Payment.** The applicant over-pays the fees needed. ( )

**301. REFUND OF DEALER THIRTY DAY TEMPORARY PERMITS, LICENSE PLATES, AND VALIDATION STICKER FEES.**

The Department will process requests for refunds if: ( )

**01. Unused Permits.** The thirty (30) day temporary permits are returned unused by a dealership that is going out of business. ( )

**02. Plates Not Ordered.** The dealer license plates have not been ordered through the plate manufacturer. ( )

**03. Validation Stickers Unused.** The dealer validation stickers have not been applied to the dealer's license plates. ( )

**302. -- 999. (RESERVED)**