

# HOUSE BILL No. 1237

---

## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 9-32.

**Synopsis:** Subscription auto sales. Amends the definition of the term "sale". Prohibits a manufacturer or distributor from using or entering into subscription programs. Makes conforming amendments.

**Effective:** Upon passage; July 1, 2019.

---

---

## Soliday

---

---

January 10, 2019, read first time and referred to Committee on Roads and Transportation.

---

---



Introduced

First Regular Session of the 121st General Assembly (2019)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2018 Regular and Special Session of the General Assembly.

## HOUSE BILL No. 1237

---

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 9-32-2-23, AS ADDED BY P.L.92-2013,  
2 SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2019]: Sec. 23. "Sale" includes:

4 (1) every contract of sale;  
5 (2) **every** contract to sell; **or**  
6 (3) **every** disposition of a motor vehicle; **or**  
7 (4) **every** interest in a motor vehicle for value;  
8 (5) **any**:  
9 (A) **option**;  
10 (B) **subscription**; **or**  
11 (C) **other contract or solicitation for a sale**; **or**  
12 (6) **any other offer or attempt to sell regardless of form**.

13 SECTION 2. IC 9-32-11-20, AS AMENDED BY P.L.112-2018,  
14 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
15 UPON PASSAGE]: Sec. 20. (a) This section does not apply to:

16 (1) a manufacturer of a trailer or semitrailer; **or**  
17 (2) a manufacturer that produces fewer than one thousand (1,000)



1                   units per year.

2                   (b) Except as provided in subsection (c), a manufacturer or  
3 distributor may not engage in sales directly to the general public in  
4 Indiana.

5                   (c) A manufacturer or distributor may engage in sales directly to the  
6 general public in Indiana only if:

7                   (1) the manufacturer or distributor was granted an initial license  
8 to sell new motor vehicles before July 1, 2015; and  
9                   (2) the manufacturer or distributor establishes at least one (1)  
10 physical location in Indiana that is a warranty repair service  
11 center before January 1, 2018.

12                   (d) A manufacturer or distributor described in subsection (c) must  
13 stop engaging in sales directly to the general public in Indiana if the  
14 manufacturer or distributor sells, transfers, or conveys a majority  
15 interest in the manufacturer or distributor to another person that is  
16 required to be licensed under this chapter.

17                   (e) For purposes of this subsection, "vehicle right of use"  
18 "subscription program" means a subscription service that, for a  
19 recurring fee and for a limited period of time, allows a participating  
20 person exclusive use of a motor vehicle owned by an entity that  
21 controls or contracts with the subscription service. The term does not  
22 include leases, short term motor vehicle rentals, or services that allow  
23 short term sharing of a motor vehicle. ~~Vehicle right of use~~ Subscription  
24 programs are prohibited in Indiana. ~~This subsection expires on May 1,~~  
25 ~~A vehicle manufacturer or distributor may not use or enter~~  
26 ~~into a subscription program.~~

27                   SECTION 3. **An emergency is declared for this act.**

