



April 4, 2017

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# ENGROSSED HOUSE BILL No. 1592

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DIGEST OF HB 1592 (Updated March 30, 2017 12:20 pm - DI 84)

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

**Synopsis:** Automobile sales requirements. Provides that a manufacturer may sell directly to the general public only if the manufacturer was granted its initial license to sell new motor vehicles before July 1, 2015, and has established a warranty repair center in Indiana before January 1, 2018. Provides that a manufacturer may no longer sell directly to the general public if the manufacturer sells, conveys, or transfers a majority interest to another person that is required to be registered under this chapter.

**Effective:** July 1, 2017.

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**Soliday, GiaQuinta, Morris,  
Smith V, Frye R,  
Candelaria Reardon**

(SENATE SPONSORS — HERSHMAN, CRIDER, NIEZGODSKI, ZAY)

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January 23, 2017, read first time and referred to Committee on Roads and Transportation.  
February 2, 2017, amended, reported — Do Pass.  
February 6, 2017, read second time, ordered engrossed. Engrossed.  
February 7, 2017, read third time, passed. Yeas 78, nays 19.

SENATE ACTION

February 20, 2017, read first time and referred to Committee on Commerce and Technology.  
April 3, 2017, reported favorably — Do Pass.

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EH 1592—LS 7104/DI 124





April 4, 2017

First Regular Session of the 120th General Assembly (2017)

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 2016 Regular Session of the General Assembly.

## ENGROSSED HOUSE BILL No. 1592

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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 9-32-11-1, AS AMENDED BY P.L.174-2016,  
2 SECTION 82, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2017]: Sec. 1. (a) **Subject to IC 9-32-11-20**, the following  
4 persons must be licensed under this article to engage in the business of  
5 buying, selling, or manufacturing motor vehicles:  
6 (1) An automobile auction.  
7 (2) A converter manufacturer.  
8 (3) A dealer.  
9 (4) A distributor.  
10 (5) An automotive salvage recycler.  
11 (6) A watercraft dealer.  
12 (7) A manufacturer.  
13 (8) A transfer dealer.  
14 (9) An automotive mobility dealer.  
15 (b) An automotive mobility dealer who engages in the business of:  
16 (1) selling, installing, or servicing;  
17 (2) offering to sell, install, or service; or

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1 (3) soliciting or advertising the sale, installation, or servicing of;  
 2 equipment or modifications specifically designed to facilitate use or  
 3 operation of a motor vehicle by an individual who is disabled or aged  
 4 must be licensed under this article.

5 (c) An automotive mobility dealer that fails to be licensed under this  
 6 article and engages in the businesses described in subsection (b)  
 7 commits a Class A infraction.

8 SECTION 2. IC 9-32-11-20 IS ADDED TO THE INDIANA CODE  
 9 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 10 1, 2017]: **Sec. 20. (a) This section does not apply to:**

11 **(1) a manufacturer of a trailer or semitrailer; or**

12 **(2) a manufacturer that produces fewer than one thousand**  
 13 **(1,000) units per year.**

14 **(b) Except as provided in subsection (c), a manufacturer may**  
 15 **not engage in sales directly to the general public in Indiana.**

16 **(c) A manufacturer may engage in sales directly to the general**  
 17 **public in Indiana only if:**

18 **(1) the manufacturer was granted an initial license to sell new**  
 19 **motor vehicles before July 1, 2015; and**

20 **(2) the manufacturer establishes at least one (1) physical**  
 21 **location in Indiana that is a warranty repair service center**  
 22 **before January 1, 2018.**

23 **(d) A manufacturer described in subsection (c) must stop**  
 24 **engaging in sales directly to the general public in Indiana if the**  
 25 **manufacturer sells, transfers, or conveys a majority interest in the**  
 26 **manufacturer to another person that is required to be licensed**  
 27 **under this chapter.**



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred House Bill 1592, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, delete lines 8 through 34, begin a new paragraph and insert:

"SECTION 2. IC 9-32-11-20 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: **Sec. 20. (a) This section does not apply to:**

- (1) a manufacturer of a trailer or semitrailer; or**
- (2) a manufacturer that produces fewer than one thousand (1,000) units per year.**

**(b) Except as provided in subsection (c), a manufacturer may not engage in sales directly to the general public in Indiana.**

**(c) A manufacturer may engage in sales directly to the general public in Indiana only if:**

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

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

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1592 as introduced.)

SOLIDAY

Committee Vote: yeas 12, nays 1.



COMMITTEE REPORT

Madam President: The Senate Committee on Commerce and Technology, to which was referred House Bill No. 1592, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is to HB1592 as printed February 3, 2017.)

MESSMER, Chairperson

Committee Vote: Yeas 8, Nays 0

