January 22, 2016

HOUSE BILL No. 1365

DIGEST OF HB 1365 (Updated January 20, 2016 12:31 pm - DI 103)

Citations Affected: IC 4-5; IC 6-6; IC 9-13; IC 9-18; IC 9-22; IC 9-29; IC 9-31; IC 9-32; IC 35-52.

Synopsis: Dealer services. Transfers responsibility for dealer designee and interim manufacturer transporter license plates from the bureau of motor vehicles to the secretary of state (secretary) after June 30, 2017. Relocates fees related to dealer services from IC 9-29-17 to IC 9-32. Increases from 31 to 45 days the deadline for which to title a motorboat. Imposes requirements concerning the disclosure of personal information by the dealer services division of the office of the secretary. Establishes procedures for the replacement of licenses and license plates issued to dealers.

Effective: July 1, 2016.

Sullivan, Austin, Soliday

January 12, 2016, read first time and referred to Committee on Roads and Transportation.
January 21, 2016, amended, reported — Do Pass.

January 22, 2016

Second Regular Session of the 119th General Assembly (2016)

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 2015 Regular Session of the General Assembly.

HOUSE BILL No. 1365

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:

SECTION 1. IC 4-5-1-12, AS ADDED BY P.L.92-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 12. (a) The secretary of state shall establish a dealer services division within the office of the secretary of state. The dealer services division shall administer ~~IC 9-29-17 and~~ IC 9-32.

(b) The secretary of state shall appoint a director of the dealer services division established by subsection (a).

SECTION 2. IC 6-6-5-1, AS AMENDED BY P.L.259-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1. (a) As used in this chapter, "vehicle" means a vehicle subject to annual registration as a condition of its operation on the public highways pursuant to the motor vehicle registration laws of the state.

(b) As used in this chapter, "mobile home" means a nonself-propelled vehicle designed for occupancy as a dwelling or sleeping place.

(c) As used in this chapter, "bureau" means the bureau of motor

vehicles.

(d) As used in this chapter, "license branch" means a branch office of the bureau authorized to register motor vehicles pursuant to the laws of the state.

(e) As used in this chapter, "owner" means the person in whose name the vehicle or trailer is registered (as defined in IC 9-13-2).

(f) As used in this chapter, "motor home" means a self-propelled vehicle having been designed and built as an integral part thereof having living and sleeping quarters, including that which is commonly referred to as a recreational vehicle.

(g) As used in this chapter, "last preceding annual excise tax liability" means either:

(1) the amount of excise tax liability to which the vehicle was subject on the owner's last preceding regular annual registration date; or

(2) the amount of excise tax liability to which a vehicle that was registered after the owner's last preceding annual registration date would have been subject if it had been registered on that date.

(h) As used in this chapter, "trailer" means a device having a gross vehicle weight equal to or less than three thousand (3,000) pounds that is pulled behind a vehicle and that is subject to annual registration as a condition of its operation on the public highways pursuant to the motor vehicle registration laws of the state. The term includes any utility, boat, or other two (2) wheeled trailer.

(i) This chapter does not apply to the following:

(1) Vehicles owned, or leased and operated, by the United States, the state, or political subdivisions of the state.

(2) Mobile homes and motor homes.

(3) Vehicles assessed under IC 6-1.1-8.

(4) Vehicles subject to registration as trucks under the motor vehicle registration laws of the state, except trucks having a declared gross weight not exceeding eleven thousand (11,000) pounds, trailers, semitrailers, tractors, and buses.

(5) Vehicles owned, or leased and operated, by a postsecondary educational institution described in IC 6-3-3-5(d).

(6) Vehicles owned, or leased and operated, by a volunteer fire department (as defined in IC 36-8-12-2).

(7) Vehicles owned, or leased and operated, by a volunteer emergency ambulance service that:

(A) meets the requirements of IC 16-31; and

(B) has only members that serve for no compensation or a nominal annual compensation of not more than three thousand

five hundred dollars ($3,500).

(8) Vehicles that are exempt from the payment of registration fees under IC 9-18-3-1.

(9) Farm wagons.

(10) Off-road vehicles (as defined in IC 14-8-2-185).

(11) Snowmobiles (as defined in IC 14-8-2-261).

(12) After June 30, 2017, vehicles owned or otherwise held as inventory by a person licensed under IC 9-32.

SECTION 3. IC 9-13-2-7 IS REPEALED [EFFECTIVE JULY 1, 2016]. ~~Sec. 7. "Automobile auctioneer", for purposes of IC 9-32, has the meaning set forth in IC 9-32-2-4.~~

SECTION 4. IC 9-13-2-37 IS REPEALED [EFFECTIVE JULY 1, 2016]. ~~Sec. 37. "Converter manufacturer" means a person who adds to, subtracts from, or modifies a previously assembled or manufactured motor vehicle. The term does not include a person who manufactures recreational vehicles.~~

SECTION 5. IC 9-13-2-42, AS AMENDED BY P.L.180-2015, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 42. (a) "Dealer" means, except as otherwise provided in this section, a person ~~who~~ **that:**

(1) sells; ~~to the general public, including a person who sells directly by the Internet or other computer network,~~

(2) offers to sell; or

(3) advertises for sale;

including directly by the Internet or other computer network, at least twelve (12) vehicles ~~each year.~~ **within a twelve (12) month period.** The term includes a person ~~who~~ **that** sells off-road vehicles, snowmobiles, or mini-trucks. A dealer must have an established place of business that meets the minimum standards prescribed by the secretary of state under rules adopted under IC 4-22-2.

(b) The term does not include the following:

(1) A receiver, trustee, or other person appointed by or acting under the judgment or order of a court.

(2) A public officer while performing official duties.

~~(3) An automotive mobility dealer.~~

(c) "Dealer", for purposes of IC 9-31, means a person that sells, ~~to the general public~~ **offers to sell, or advertises for sale** at least six (6):

(1) ~~boats;~~ **watercraft;** or

(2) trailers:

(A) designed and used exclusively for the transportation of watercraft; and

(B) sold in general association with the sale of watercraft;

~~per year.~~ **within a twelve (12) month period.**

(d) "Dealer", for purposes of IC 9-32, and unless otherwise provided, means:

(1) an automobile ~~auctioneer;~~ **auction;**

(2) an automotive mobility dealer;

(3) a converter manufacturer;

(4) a dealer;

(5) a distributor;

(6) a manufacturer;

(7) ~~a~~ **an automotive** salvage ~~dealer;~~ **recycler;**

(8) a transfer dealer;

(9) a watercraft dealer; or

(10) before July 1, 2015, a wholesale dealer.

SECTION 6. IC 9-13-2-45, AS AMENDED BY P.L.151-2015, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 45. "Distributor" means a person, other than a manufacturer, ~~or wholesale dealer, who~~ **that** is engaged in the business of selling motor vehicles to dealers located in Indiana. The term includes a distributor's branch office. The term does not include a recreational vehicle manufacturer.

SECTION 7. IC 9-13-2-97.5 IS REPEALED [EFFECTIVE JULY 1, 2016]. ~~Sec. 97.5. "Manufacturer of a vehicle subcomponent system" means a manufacturer of a vehicle subcomponent system essential to the operation of a motor vehicle. The term includes a public or private university that is engaged in the:~~

~~(1) research;~~

~~(2) development; or~~

~~(3) manufacture;~~

~~of a vehicle subcomponent system.~~

SECTION 8. IC 9-13-2-105, AS AMENDED BY P.L.221-2014, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 105. (a) "Motor vehicle" means, except as otherwise provided in this section, a vehicle that is self-propelled. The term does not include a farm tractor, an implement of agriculture designed to be operated primarily in a farm field or on farm premises, or an electric personal assistive mobility device.

(b) "Motor vehicle", for purposes of IC 9-21, means:

(1) a vehicle that is self-propelled; or

(2) a vehicle that is propelled by electric power obtained from overhead trolley wires, but not operated upon rails.

(c) "Motor vehicle", for purposes of IC 9-19-10.5, means a vehicle that is self-propelled upon a highway in Indiana. The term does not

include the following:

(1) A farm tractor.

(2) A motorcycle.

(3) A motor driven cycle.

(d) "Motor vehicle", for purposes of ~~IC 9-32-13,~~ **IC 9-32,** includes a semitrailer, **trailer, or recreational vehicle.**

(e) "Motor vehicle", for purposes of IC 9-24-6, has the meaning set forth in 49 CFR 383.5 as in effect July 1, 2010.

(f) "Motor vehicle", for purposes of IC 9-25, does not include the following:

(1) A farm tractor.

(2) A Class B motor driven cycle.

SECTION 9. IC 9-13-2-199 IS REPEALED [EFFECTIVE JULY 1, 2016]. ~~Sec. 199. "Wholesale dealer", for purposes of IC 9-32, has the meaning set forth in IC 9-32-2-28.~~

SECTION 10. IC 9-18-1-2, AS ADDED BY P.L.180-2015, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. This article applies to a mini-truck with the exception of the following:

(1) IC 9-18-7.

(2) IC 9-18-9 through IC 9-18-11.

(3) IC 9-18-13 through IC 9-18-14.

(4) ~~IC 9-18-27 through~~ IC 9-18-28.

(5) IC 9-18-32.

SECTION 11. IC 9-18-27 IS REPEALED [EFFECTIVE JULY 1, 2016]. (Interim Manufacturer Transporter License Plates).

SECTION 12. IC 9-22-5-18.2, AS AMENDED BY P.L.197-2015, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 18.2. (a) ~~A recycling facility, a scrap metal processor,~~ **An automotive salvage recycler** or an agent of ~~a recycling facility or scrap metal processor~~ **an automotive salvage recycler** may purchase a ~~motor~~ vehicle without a certificate of title for the ~~motor~~ vehicle if:

(1) the ~~motor~~ vehicle is at least fifteen (15) model years old;

(2) the purchase is solely for the purpose of dismantling or wrecking the ~~motor~~ vehicle for the recovery of scrap metal or the sale of parts; and

(3) the ~~recycling facility or scrap metal processor~~ **automotive salvage recycler** records all purchase transactions of vehicles as required in subsection (b).

(b) ~~A recycling facility or scrap metal processor~~ **An automotive salvage recycler** shall maintain the following information with respect

to each ~~motor~~ vehicle purchase transaction to which the ~~recycling facility or scrap metal processor~~ **automotive salvage recycler** is a party for at least ~~two (2)~~ **five (5)** years following the date of the purchase transaction:

(1) The name and address of any ~~secondary metals recycler or salvage yard.~~ **scrap metal processor or automobile scrapyard.**

(2) The name ~~initials, or other identifying symbol~~ of the person entering the information.

(3) The date **and time** of the purchase transaction.

(4) A description of the ~~motor~~ vehicle that is the subject of the purchase transaction, including the make and model of the ~~motor~~ vehicle, if practicable.

(5) The vehicle identification number of the ~~motor~~ vehicle, **to the extent practicable.**

(6) The amount of consideration given for the ~~motor~~ vehicle.

(7) A written statement signed by the seller or the seller's agent certifying ~~that:~~ **the following:**

(A) The seller or the seller's agent has the lawful right to sell and dispose of the ~~motor~~ vehicle.

(B) The vehicle is not subject to a security interest or lien.

(C) The vehicle will not be titled again and will be dismantled or destroyed.

(8) The name, **date of birth,** and address of the person from whom the ~~motor~~ vehicle is being purchased.

(9) A photocopy or electronic scan of one (1) of the following **valid and unexpired** forms of identification issued to the seller or the seller's agent:

(A) A ~~current and valid~~ driver's license.

(B) An identification card issued under IC 9-24-16-1, a photo exempt identification card issued under IC 9-24-16.5, or a similar card issued under the laws of another state or the federal government.

(C) A government issued document bearing an image of the seller or seller's agent, as applicable.

For purposes of complying with this subdivision, ~~a recycling facility or scrap metal processor~~ **an automotive salvage recycler** is not required to make a separate copy of the seller's or seller's agent's identification for each purchase transaction involving the seller or seller's agent but may instead refer to a copy maintained in reference to a particular purchase transaction.

(10) The license plate number, make, model, and color of the vehicle that is used to deliver the purchased vehicle to the

automotive salvage recycler.

(11) The signature of the person receiving consideration from the seller or the seller's agent.

(12) A photographic or videographic image, taken when the vehicle is purchased, of the following:

(A) A frontal view of the facial features of the seller or the seller's agent.

(B) The vehicle that is the subject of the purchase transaction.

(c) ~~A recycling facility or scrap metal processor~~ **An automotive salvage recycler** may not complete a purchase transaction in the absence of the information required under subsection (b)(9).

(d) ~~A recycling facility, a scrap metal processor,~~ **An automotive salvage recycler** or an agent of ~~a recycling facility or scrap metal processor~~ **an automotive salvage recycler** that knowingly or intentionally buys a ~~motor~~ vehicle that is less than fifteen (15) model years old without a certificate of title **or certificate of authority** for the ~~motor~~ vehicle commits a Level 6 felony.

SECTION 13. IC 9-29-17 IS REPEALED [EFFECTIVE JULY 1, 2016]. (Fees Under IC 9-32).

SECTION 14. IC 9-31-2-6, AS AMENDED BY P.L.217-2014, SECTION 157, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 6. (a) Except as provided in subsection (b), an application for a certificate of title shall be filed with the bureau within ~~thirty-one (31)~~ **forty-five (45)** days after the date of purchase or transfer. The application must be accompanied by the fee prescribed in IC 9-29-15-1.

(b) This subsection applies only to a watercraft acquired by a conveyance subject to section 30 of this chapter. An application for a certificate of title shall be filed with the bureau within sixty (60) days after the date of the transfer under section 30 of this chapter. The application must be accompanied by the fee prescribed in IC 9-29-15-1 and any other applicable fees and service charges.

(c) A person who violates this section commits a Class A infraction.

SECTION 15. IC 9-31-2-17, AS AMENDED BY P.L.262-2013, SECTION 124, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 17. If a person fails to apply for a title within ~~thirty-one (31)~~ **forty-five (45)** days after:

(1) obtaining ownership of a watercraft; or

(2) otherwise being required to obtain a certificate of title for a watercraft;

the person shall pay a late title fee prescribed under IC 9-29-15-3.

SECTION 16. IC 9-31-3-5, AS AMENDED BY P.L.92-2013, SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. A motorboat that has never been registered in Indiana and that is purchased from a dealer licensed by the secretary of state under IC 9-32-8 may be operated on the waters of Indiana for a period of ~~thirty-one (31)~~ **forty-five (45)** days from the date of purchase if the operator has in the operator's possession the following:

(1) A bill of sale from the dealer giving the purchaser's name and address, the date of purchase, and the make and type of boat or the hull identification number.

(2) A temporary ~~permit~~ **license plate** displayed on the forward portion of the boat, as provided in section 6 of this chapter.

SECTION 17. IC 9-31-3-6, AS AMENDED BY P.L.93-2010, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 6. (a) The secretary of state shall furnish temporary ~~permits~~ **license plates** and registration ~~forms~~ **cards** to a registered dealer upon request.

(b) A **temporary license** plate or card described in subsection (a) must display the following information:

(1) The dealer's license number.

(2) The date of ~~purchase,~~ **expiration,** plainly stamped or stenciled on the **temporary license** plate or card.

(c) A temporary ~~permit~~ **license plate or card** may not be used or displayed unless the plate or card is furnished by the secretary of state.

(d) A dealer ~~who~~ **that** authorizes the use of a temporary ~~permit~~ **license plate or card** under this section does not assume responsibility or incur liability for injury to a person or property during the period the temporary ~~permit~~ **license plate or card** is in effect.

SECTION 18. IC 9-31-3-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 7. A motorboat that is legally registered in this or another state at the time of purchase may be operated for a period of ~~thirty-one (31)~~ **forty-five (45)** days from the date of purchase if the operator has in the operator's possession the registration identification card of the previous owner with the corresponding registration numbers displayed on the forward part of the boat.

SECTION 19. IC 9-31-3-19, AS AMENDED BY P.L.5-2015, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 19. **(a)** A dealer licensed by the secretary of state under IC 9-32-8-2 may, upon application to the secretary of state, obtain a dealer plate for use in the testing or demonstrating of motorboats. ~~upon payment of the fee prescribed under IC 9-29-17-16~~

~~for each dealer plate.~~ A dealer plate must be displayed within a ~~boat~~ **motorboat** that is being tested or demonstrated while the ~~boat~~ **motorboat** is being tested or demonstrated.

(b) The fee to obtain a dealer plate under subsection (a) is ten dollars ($10). The secretary of state may retain the fee.

SECTION 20. IC 9-32-1-2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 2. The transmission of electronic records under this article is governed by IC 26-2-8-114.**

SECTION 21. IC 9-32-1-3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 3. A license plate issued by the secretary under this article remains the property of the secretary.**

SECTION 22. IC 9-32-2-4, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 4. "Automobile ~~auctioneer"~~ **auction"** means a person ~~who~~ **that,** ~~is engaged in providing a place of business or facilities for the purchase and sale~~ **as part of the person's business, arranges, manages, sponsors, advertises, hosts, carries out, or otherwise facilitates the auction** of more than three (3) motor vehicles, on the basis of bids by persons acting for themselves or others, ~~per calendar year.~~ **within a twelve (12) month period.** The term includes ~~an auctioneer who, as part of the business of the auctioneer, participates in providing~~ a place of business or facilities **provided by an auctioneer as part of the business of the auctioneer** for the purchase and sale of motor vehicles on the basis of bids by persons acting for themselves or others. The term does not include a person acting only as an auctioneer under IC 25-6.1-1.

SECTION 23. IC 9-32-2-5, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. "Automotive salvage rebuilder" means a person ~~firm, limited liability company, corporation, or other legal entity engaged in the business:~~ **that:**

(1) ~~of acquiring~~ **acquires** salvage ~~motor~~ vehicles for the purpose of restoring, reconstructing, or rebuilding the vehicles; and

(2) ~~of reselling these~~ **resells, offers to resell, or advertises for resale the** vehicles for use on the highway.

SECTION 24. IC 9-32-2-6, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 6. "Broker" means a person ~~who,~~ **that,** for a fee, a commission, or other valuable consideration, arranges or offers to arrange a transaction involving the sale, for purposes other than resale,

of a new or used motor vehicle and who is not:

(1) a dealer or an employee of a dealer;

(2) a distributor or an employee of a distributor; or

(3) at any point in the transaction, the bona fide owner of the **motor** vehicle involved in the transaction.

SECTION 25. IC 9-32-2-9.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 9.5. "Converter manufacturer" means a person that adds to, subtracts from, or modifies a previously assembled or manufactured motor vehicle. The term does not include a person that manufactures recreational vehicles.**

SECTION 26. IC 9-32-2-10.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 10.3. "Disclose" means to engage in a practice or conduct to make available and make known personal information contained in an individual record about an individual to a person by any means of communication.**

SECTION 27. IC 9-32-2-11.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 11.5. "Electronic record" means a record created, generated, sent, communicated, received, or stored by electronic means.**

SECTION 28. IC 9-32-2-11.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 11.6. "Electronic signature" means an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record.**

SECTION 29. IC 9-32-2-15.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 15.2. "Fraud" means:**

(1) a misrepresentation of a material fact, promise, representation, or prediction not made honestly or in good faith; or

(2) the failure to disclose a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

SECTION 30. IC 9-32-2-15.4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 15.4. "Highly restricted personal information" means the following information that identifies an individual:**

(1) Digital photograph or image.
(2) Social Security number.
(3) Medical or disability information.

SECTION 31. IC 9-32-2-15.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 15.5. "Individual record" refers to a record created or maintained by the division that contains personal information or highly restricted personal information about an individual who is the subject of the record identified in a request. The term includes records created by a dealer related to the issuance of interim license plates.**

SECTION 32. IC 9-32-2-18.4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 18.4. "Manufacturer of a vehicle subcomponent system" means a manufacturer of a vehicle subcomponent system essential to the operation of a motor vehicle. The term includes a public or private university that is engaged in the:**

(1) research;
(2) development; or
(3) manufacture;

of a vehicle subcomponent system.

SECTION 33. IC 9-32-2-18.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 18.7. "Personal information" means information that identifies a person, including an individual's:**

(1) digital photograph or image;
(2) Social Security number;
(3) driver's license or identification document number;
(4) name;
(5) address;
(6) telephone number; or
(7) medical or disability information.

The term does not include the name of an owner, an officer, or a partner of a dealer, or the name, address, or telephone number of a business or of a dealer's established place of business.

SECTION 34. IC 9-32-2-24.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 24.5. "Sign" or "signature" includes a manual, facsimile, or conformed signature, or an electronic signature.**

SECTION 35. IC 9-32-2-25, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 25. "Transfer dealer" means a person, other than a ~~dealer,~~ manufacturer, ~~or wholesale dealer, who~~ **distributor, converter manufacturer, new motor vehicle dealer, used motor vehicle dealer, automotive salvage recycler, watercraft dealer, automotive mobility dealer, or automobile auction that** has the necessity of transferring at least twelve (12) motor vehicles during a ~~license year~~ **twelve (12) month period** as part of the transfer dealer's primary business function.

SECTION 36. IC 9-32-2-28 IS REPEALED [EFFECTIVE JULY 1, 2016]. ~~Sec. 28. "Wholesale dealer" means a person who is engaged in the business of buying or selling motor vehicles for resale to other dealers, wholesale dealers, transfer dealers, or persons other than the general public.~~

SECTION 37. IC 9-32-3-1, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1. The secretary may delegate any or all of the rights, duties, or obligations of the secretary under this article to:

(1) the director; or

(2) another designee under the supervision and control of the secretary.

The individual delegated has the authority to adopt and enforce rules under IC 4-22-2 as the secretary under IC 4-5-1-11. ~~The secretary shall adopt emergency rules in the manner set forth in IC 4-22-2-37.1 to carry out the secretary's duties under this article. The emergency rules must be adopted before January 1, 2014. The emergency rules expire June 30, 2014. Before July 1, 2014, the secretary shall, under IC 4-2-22, adopt rules to carry out the secretary's duties under this article that supersede the emergency rules.~~

SECTION 38. IC 9-32-3-4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 4. (a) The secretary may accept payment of a correct fee by credit card, debit card, charge card, or similar method. However, if the fee is paid by credit card, debit card, charge card, or similar method, the legal obligation is not finally discharged until the secretary receives payment or credit from the institution responsible for making the payment or credit. The secretary may contract with a bank or credit card vendor for acceptance of bank or credit cards. However, if there is a vendor transaction charge or discount fee, whether billed to the secretary or charged directly to the secretary's account, the secretary or the credit card vendor**

may collect from the person using the bank or credit card a fee that may not exceed the highest transaction charge or discount fee charged to the secretary by the bank or credit card vendor during the most recent collection period. This fee may be collected regardless of any agreement between the bank and a credit card vendor or regardless of any internal policy of the credit card vendor that may prohibit this type of fee.

(b) A signature on a document that is electronically transmitted is sufficient if the person transmitting the document:

(1) intends to submit the document as evidenced by a symbol executed or adopted by a party with present intention to authenticate the filing; and

(2) enters the submitting party's name on the electronic form in a signature box or other place indicated by the secretary.

SECTION 39. IC 9-32-3-5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 5. Except as provided in sections 6, 7, and 8 of this chapter, or as required by IC 5-14-3, an officer or employee of the division may not knowingly disclose or otherwise make available personal information, including highly restricted personal information, obtained in connection with an individual record.**

SECTION 40. IC 9-32-3-6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 6. Personal information related to:**

(1) motor vehicle or driver safety and theft;

(2) motor vehicle emissions;

(3) motor vehicle product alterations, recalls, or advisories;

(4) performance monitoring of motor vehicles and dealers by motor vehicle manufacturers; and

(5) the removal of nonowner records from the original owner records of motor vehicle manufacturers;

must be disclosed under this chapter to carry out the purposes of the federal Automobile Information Disclosure Act (15 U.S.C. 1231 et seq.), the Anti-Car Theft Act of 1992 (49 U.S.C. 33101 et seq.), the Clean Air Act (49 U.S.C. 7401 et seq.), and all federal regulations enacted or adopted under those acts.

SECTION 41. IC 9-32-3-7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 7. The division may disclose certain personal information that is not highly restricted information if the person requesting the information provides proof of identity as set forth under section 13 of this chapter and represents that the use of the**

personal information will be strictly limited to at least one (1) of the following:

(1) For use by a government agency, including a court or law enforcement agency, in carrying out its functions, or a person acting on behalf of a government agency in carrying out its functions.

(2) For use in connection with matters concerning:

(A) motor vehicle or driver safety and theft;

(B) motor vehicle emissions;

(C) motor vehicle product alterations, recalls, or advisories;

(D) performance monitoring of motor vehicles, motor vehicle parts, and dealers;

(E) motor vehicle market research activities, including survey research;

(F) the removal of nonowner records from the original owner records of motor vehicle manufacturers; and

(G) motor fuel theft under IC 24-4.6-5.

(3) For use in the normal course of business by a business or its agents, employees, or contractors, but only:

(A) to verify the accuracy of personal information submitted by an individual to the business or its agents, employees, or contractors; and

(B) if information submitted to a business is not correct or is no longer correct, to obtain the correct information only for purposes of preventing fraud by, pursuing legal remedies against, or recovering on a debt or security interest against, an individual.

(4) For use in connection with a civil, a criminal, an administrative, or an arbitration proceeding in a court or government agency or before a self-regulatory body, including the service of process, investigation in anticipation of litigation, and the execution or enforcement of judgments and orders, or under an order of a court.

(5) For use in research activities, and for use in producing statistical reports, as long as the personal information is not published, redisclosed, or used to contact the individuals who are the subjects of the personal information.

(6) For use by an insurer, an insurance support organization, or a self-insured entity, or the agents, employees, or contractors of an insurer, an insurance support organization, or a self-insured entity in connection with claims investigation

activities, antifraud activities, rating, or underwriting.

(7) For use in providing notice to the owners of towed or impounded vehicles.

(8) For use by a licensed private investigative agency or licensed security service for a purpose allowed under this section.

(9) For use in connection with the operation of private toll transportation facilities.

(10) For any use in response to requests for individual motor vehicle records when the division has obtained the written consent of the person to whom the personal information pertains.

(11) For bulk distribution for surveys, marketing, or solicitations when the division has obtained the written consent of the person to whom the personal information pertains.

(12) For use by any person, when the person demonstrates, in a form and manner prescribed by the division, that written consent has been obtained from the individual who is the subject of the information.

(13) For any other use specifically authorized by law that is related to the operation of a motor vehicle or public safety.

SECTION 42. IC 9-32-3-8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 8. Highly restricted personal information may be disclosed by the division only as follows:**

(1) With the express written consent of the individual to whom the highly restricted personal information pertains.

(2) In the absence of the express written consent of the person to whom the highly restricted personal information pertains, if the person requesting the information:

(A) provides proof of identity as set forth in section 13 of this chapter; and

(B) represents that the use of the highly restricted personal information will be strictly limited to at least one (1) of the uses set forth in section 7(1), 7(4), and 7(6) of this chapter.

SECTION 43. IC 9-32-3-9 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 9. The division may, before disclosing personal information, require the requesting person to satisfy certain conditions for the purpose of ascertaining:**

(1) the correct identity of the requesting person;

(2) that the use of the disclosed information will be only as authorized; or

(3) that the consent of the person who is the subject of the information has been obtained.

The conditions may include the making and filing of a written application on a form prescribed by the division and containing all information and certification requirements required by the division.

SECTION 44. IC 9-32-3-10 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 10. (a) An authorized recipient of personal information, except a recipient under section 7(10) or 7(11) of this chapter, may resell or redisclose the information for any use allowed under section 6 of this chapter, except for a use under section 7(10) or 7(11) of this chapter.**

(b) An authorized recipient of a record under section 7(10) of this chapter may resell or redisclose personal information for any purpose.

(c) An authorized recipient of personal information under section 7(10) of this chapter may resell or redisclose the personal information for use only in accordance with section 7(11) of this chapter.

(d) Except for a recipient under section 7(10) of this chapter, a recipient that resells or redisclosures personal information shall maintain and make available for inspection to the division, upon request, for at least five (5) years, records concerning:

(1) each person that receives the information; and

(2) the permitted use for which the information was obtained.

SECTION 45. IC 9-32-3-11 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 11. The secretary may adopt rules under IC 4-22-2 to carry out this chapter.**

SECTION 46. IC 9-32-3-12 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 12. A person requesting the disclosure of personal information or highly restricted personal information from records of the division that knowingly or intentionally misrepresents the person's identity or makes a false statement to the division on an application required to be submitted under this chapter commits a Class C misdemeanor.**

SECTION 47. IC 9-32-3-13 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY

1, 2016]: **Sec. 13. The following are acceptable forms of identification for purposes of section 7 of this chapter:**

(1) An unexpired driver's license.

(2) An unexpired identification card issued under IC 9-24-16-1, photo exempt identification card issued under IC 9-24-16.5, or similar card issued under the laws of another state or the federal government.

(3) An unexpired government issued document bearing an image of the individual requesting the information.

SECTION 48. IC 9-32-4-1, AS AMENDED BY P.L.151-2015, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1. (a) If a **motor** vehicle for which a certificate of title has been issued is sold or if the ownership of the **motor** vehicle is transferred in any manner other than by a transfer on death conveyance under IC 9-17-3-9, in addition to complying with IC 9-17-3-3.4, the person ~~who~~ **that** holds the certificate of title must do the following:

(1) In the case of a sale or transfer between ~~vehicle~~ dealers licensed by this state or another state, deliver the certificate of title within ~~twenty-one (21)~~ **thirty-one (31)** days after the date of the sale or transfer.

(2) Deliver the certificate of title to the purchaser or transferee within ~~twenty-one (21)~~ **thirty-one (31)** days after the date of sale or transfer to the purchaser or transferee of the **motor** vehicle, if all the following conditions exist:

(A) The seller or transferor is a ~~vehicle~~ dealer licensed by the state under this article.

(B) The ~~vehicle~~ dealer is not able to deliver the certificate of title at the time of sale or transfer.

(C) The ~~vehicle~~ dealer provides the purchaser or transferee with an affidavit under section 2 of this chapter.

(D) The purchaser or transferee has made all agreed upon initial payments for the **motor** vehicle, including delivery of a trade-in **motor** vehicle without hidden or undisclosed statutory liens.

(3) Keep proof of delivery of the certificate of title with the dealer records.

(b) A ~~licensed~~ dealer may offer for sale a **motor** vehicle for which the dealer does not possess a certificate of title, if the dealer can comply with subsection (a)(1) or (a)(2) at the time of the sale.

(c) A ~~vehicle~~ dealer ~~who~~ **that** fails to deliver the certificate of title within the time specified under subsection (a) is subject to the following civil penalties:

(1) One hundred dollars ($100) for the first violation in a calendar year.

(2) Two hundred fifty dollars ($250) for the second violation in a calendar year.

(3) Five hundred dollars ($500) for all subsequent violations in a calendar year.

Payment shall be made to the secretary ~~of state~~ and deposited in the dealer enforcement account established under IC 9-32-7-2.

(d) If a purchaser or transferee does not receive a valid certificate of title within the time specified by this section, the purchaser or transferee has the right to return the **motor** vehicle to the ~~vehicle~~ dealer ten (10) days after giving the ~~vehicle~~ dealer written notice demanding delivery of a valid certificate of title and the dealer's failure to deliver a valid certificate of title within that ten (10) day period. Upon return of the **motor** vehicle to the dealer in the same or similar condition as delivered to the purchaser or transferee under this section, the ~~vehicle~~ dealer shall pay to the purchaser or transferee the purchase price plus sales taxes, finance expenses, insurance expenses, and any other amount paid to the dealer by the purchaser or transferee. The relief referenced in this subsection is relief for the purchaser or transferee only and does not preclude the ability of the division to collect civil penalties under subsection (c).

(e) For purposes of this subsection, "timely deliver", with respect to a third party, means to deliver to the purchaser or transferee with a postmark dated or hand delivered not more than ten (10) business days after there is no obligation secured by the **motor** vehicle. If the dealer's inability to timely deliver a valid certificate of title results from the acts or omissions of a third party ~~who~~ **that** has failed to timely deliver a valid certificate of title to the dealer, the dealer is entitled to claim against the third party one hundred dollars ($100). If:

(1) the dealer's inability to timely deliver a valid certificate of title results from the acts or omissions of a third party ~~who~~ **that** has failed to timely deliver the certificate of title in the third party's possession to the dealer; and

(2) the failure continues for ten (10) business days after the dealer gives the third party written notice of the failure;

the dealer is entitled to claim against the third party all damages sustained by the dealer in rescinding the dealer's sale with the purchaser or transferee, including the dealer's reasonable attorney's fees.

(f) If a **motor** vehicle for which a certificate of title has been issued by another state is sold or delivered, the person selling or delivering the

motor vehicle shall deliver to the purchaser or receiver of the vehicle a proper certificate of title with an assignment of the certificate of title in a form prescribed by the bureau.

(g) A dealer shall make payment to a third party to satisfy any obligation secured by the **motor** vehicle within ten (10) days after the date of sale.

(h) Except as provided in subsection (i), a person ~~who~~ **that** violates this section commits a Class C infraction.

(i) A person ~~who~~ **that** knowingly or intentionally violates subsection (a)(1), (a)(2), or (d) commits a Class B misdemeanor.

(j) For purposes of this section, "deliver the certificate of title" means to deliver the certificate of title to the purchaser or transferee by postmark dated mail, certified mail with return receipt, or hand delivery.

SECTION 49. IC 9-32-4-2, AS ADDED BY P.L.262-2013, SECTION 140, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. The affidavit required by section 1(a)(2)(C) of this chapter must be printed in the following form:

STATE OF INDIANA)
) ss:
COUNTY OF _____)

I affirm under the penalties for perjury that all of the following are true:

(1) That I am a dealer licensed under IC 9-32.

(2) That I cannot deliver a valid certificate of title to the retail purchaser of the **motor** vehicle described in paragraph (3) at the time of sale of the **motor** vehicle to the retail purchaser. The identity of the previous seller or transferor is _____. Payoff of lien was made on (date)_____. I expect to deliver a valid and transferable certificate of title not later than (date)_____ from the State of (state)_____ to the purchaser.

(3) That I will undertake reasonable commercial efforts to produce the valid certificate of title. The vehicle identification number is _____.

Signed _____, Dealer
By_____
Dated _____, ____
CUSTOMER ACKNOWLEDGES RECEIPT OF A COPY OF THIS AFFIDAVIT.
_____
Customer Signature

NOTICE TO THE CUSTOMER

If you do not receive a valid certificate of title within ~~twenty-one (21)~~ **thirty-one (31)** days after the date of sale, you have the right to return the **motor** vehicle to the ~~vehicle~~ dealer ten (10) days after giving the ~~vehicle~~ dealer written notice demanding delivery of a valid certificate of title and after the ~~vehicle~~ dealer's failure to deliver a valid certificate of title within that ten (10) day period. Upon return of the **motor** vehicle to the ~~vehicle~~ dealer in the same or similar condition as when it was delivered to you, the ~~vehicle~~ dealer shall pay you the purchase price plus sales taxes, finance expenses, insurance expenses, and any other amount that you paid to the ~~vehicle~~ dealer. If a lien is present on the previous owner's certificate of title, it is the responsibility of the third party lienholder to timely deliver the certificate of title in the third party's possession to the dealer not more than ten (10) business days after there is no obligation secured by the **motor** vehicle. If the dealer's inability to deliver a valid certificate of title to you within the above-described ten (10) day period results from the acts or omissions of a third party ~~who~~ **that** has failed to timely deliver the certificate of title in the third party's possession to the dealer, the dealer may be entitled to claim against the third party the damages allowed by law.

SECTION 50. IC 9-32-5-5, AS AMENDED BY P.L.151-2015, SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. A dealer must have:

(1) a certificate of title;
(2) an assigned certificate of title;
(3) a manufacturer's certificate of origin;
(4) an assigned manufacturer's certificate of origin; or
(5) other proof of ownership or evidence of right of possession as determined by the secretary;

for a motor vehicle ~~semitrailer, or recreational vehicle~~ in the dealer's possession.

SECTION 51. IC 9-32-5-6, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 6. (a) If a dealer purchases or acquires ownership of a

~~(1)~~ motor vehicle
~~(2) semitrailer; or~~
~~(3) recreational vehicle;~~

in a state that does not have a certificate of title law, the dealer shall apply for an Indiana certificate of title for the motor ~~vehicle, semitrailer, or recreational~~ vehicle not more than thirty-one (31) days after the date of purchase or the date ownership of the motor vehicle

~~semitrailer, or recreational vehicle~~ was acquired.

(b) The bureau shall collect a delinquent title fee as provided in IC 9-29-4-4 if a dealer fails to apply for a certificate of title for a motor vehicle ~~semitrailer, or recreational vehicle~~ as described in subsection (a).

SECTION 52. IC 9-32-5-9, AS AMENDED BY P.L.151-2015, SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 9. (a) In order to obtain or maintain a dealer's license from the secretary, a person must agree to allow a police officer or an authorized representative of the secretary to inspect:

(1) certificates of origin, certificates of title, assignments of certificates of origin and certificates of title, or other proof of ownership or evidence of right of possession as determined by the secretary; and

(2) motor vehicles ~~semitrailers, or recreational vehicles~~ that are held for resale by the dealer;

in the dealer's **established** place of business during reasonable business hours.

(b) A certificate of title, a certificate of origin, and any other proof of ownership described under subsection (a):

(1) must be readily available for inspection by or delivery to the proper persons; and

(2) may not be removed from Indiana.

SECTION 53. IC 9-32-6-1, AS AMENDED BY P.L.151-2015, SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1. **(a)** A person licensed under IC 9-32-11 may apply for a dealer license plate. The application must include any information the secretary reasonably requires. Upon application, two (2) certificates of registration and two (2) metal **dealer** license plates shall then be issued to the applicant. A dealer may apply for and receive additional dealer **license** plates as set forth in section 5 of this chapter.

(b) The fee for the first two (2) license plates issued under subsection (a) is as follows:

(1) For motorcycle dealer license plates, fifteen dollars ($15).

(2) For license plates not described in subdivision (1), forty dollars ($40).

(c) Fees collected under subsection (b) shall be distributed as follows:

(1) Thirty percent (30%) to the dealer compliance account.

(2) Seventy percent (70%) to the motor vehicle highway account.

(d) There is an additional service charge of five dollars ($5) for each set of license plates issued under subsection (a). The service charge shall be deposited in the crossroads 2000 fund.

SECTION 54. IC 9-32-6-2, AS AMENDED BY P.L.151-2015, SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. (a) The secretary shall issue dealer license plates under this chapter according to the following classifications:

(1) Dealer-new.
(2) Dealer-used.
(3) Manufacturer.
~~(4) Dealer-wholesale.~~

~~The secretary may not issue a license plate described in subdivision (4) after June 30, 2015.~~

(b) The secretary may adopt rules under IC 4-22-2 to establish additional classifications of dealer license plates and may prescribe the general conditions for usage of an additional classification. The secretary shall establish the classification of dealer promotional license plates.

(c) The fee for a license plate issued under a classification established under subsection (b) is forty dollars ($40). The fee shall be deposited in the dealer compliance account.

SECTION 55. IC 9-32-6-3, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 3. (a) The secretary shall:

(1) issue a research and development license plate under this chapter to a manufacturer of a vehicle subcomponent system; and
(2) adopt rules under IC 4-22-2 to prescribe the general conditions for the:
(A) application;
(B) issuance; and
(C) use;

of research and development license plates for manufacturers of vehicle component systems.

(b) The fee for a research and development license plate for a manufacturer of a vehicle subcomponent system is ~~the fee under IC 9-29-17-2.~~ **twenty dollars ($20). The fee shall be distributed as follows:**

(1) Thirty percent (30%) to the dealer compliance account.
(2) Seventy percent (70%) to the motor vehicle highway account.

(c) A research and development license plate for a manufacturer of a vehicle subcomponent system shall be displayed in accordance with

subsection (a)(2).

SECTION 56. IC 9-32-6-4, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 4. **(a)** The secretary shall determine the color, dimension, and style of the letters and the information required on a dealer license plate issued under this chapter.

(b) The secretary may design and issue a motor driven cycle decal to be used in conjunction with a motorcycle dealer license plate upon proper application by a dealer.

SECTION 57. IC 9-32-6-5, AS AMENDED BY P.L.62-2014, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. **(a)** Upon payment of the fee under ~~IC 9-29-17-1(b),~~ **subsection (b) or (c),** an applicant may obtain additional dealer license plates of the same category. The applicant must demonstrate the applicant's need for additional plates by stating the applicant's number of employees, annual sales, and other supporting factors. The secretary shall determine whether the applicant may receive additional plates.

(b) The fee for each additional license plate issued under subsection (a) is as follows:

(1) For an additional motorcycle dealer license plate, seven dollars and fifty cents ($7.50).

(2) For an additional dealer license plate not described in subdivision (1), fifteen dollars ($15).

(c) A fee collected under subsection (b) shall be distributed as follows:

(1) Thirty percent (30%) to the dealer compliance account.

(2) Seventy percent (70%) to the motor vehicle highway account.

(d) There is an additional service charge for each additional license plate issued under subsection (a) as follows:

(1) For an additional motorcycle dealer license plate, two dollars and fifty cents ($2.50).

(2) For an additional dealer license plate not described in subdivision (1), five dollars ($5).

A service charge under this subsection shall be deposited in the crossroads 2000 fund.

SECTION 58. IC 9-32-6-6.5, AS ADDED BY P.L.62-2014, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 6.5. (a) This section applies to dealer license plates ~~(other than dealer-wholesale license plates)~~ issued after December 31, 2014.

(b) **Except as provided in subsection (c),** dealer license plates issued to licensed dealers under this article are valid from the issue date through the expiration date as follows:

(1) Dealer license plates of a person whose business name begins with the letters A through B expire February 1 of each year.

(2) Dealer license plates of a person whose business name begins with the letters C through D expire March 1 of each year.

(3) Dealer license plates of a person whose business name begins with the letters E through F expire April 1 of each year.

(4) Dealer license plates of a person whose business name begins with the letters G through H expire May 1 of each year.

(5) Dealer license plates of a person whose business name begins with the letters I through J expire June 1 of each year.

(6) Dealer license plates of a person whose business name begins with the letters K through L expire July 1 of each year.

(7) Dealer license plates of a person whose business name begins with the letters M through N expire August 1 of each year.

(8) Dealer license plates of a person whose business name begins with the letters O through P expire September 1 of each year.

(9) Dealer license plates of a person whose business name begins with the letters Q through R expire October 1 of each year.

(10) Dealer license plates of a person whose business name begins with the letters S through T expire November 1 of each year.

(11) Dealer license plates of a person whose business name begins with the letters U through V expire December 1 of each year.

(12) Dealer license plates of a person whose business name begins with the letters W through Z expire January 1 of each year.

~~Dealer license plates issued to a sole proprietor expire based upon the name of the sole proprietorship.~~

(c) Dealer license plates issued to a person whose business name begins with a nonalpha character expire November 1 of each year.

(d) A dealer designee license plate expires as follows:

(1) For a dealer designee license plate issued before July 1, 2017, on the earlier of:

(A) the date designated by the dealer on the application related to the license plate; or

(B) the date on which the dealer license issued to the same person expires.

(2) For a dealer designee license plate issued after June 30, 2017, on the same date each year as the date on which a dealer

license issued to the same person expires.

~~(c)~~ **(e)** Notwithstanding subsection (b), a dealer license plate issued in 2015 expires as follows:

Plate issued to a person with a business name beginning with:	Plate expiration date:
A through B	February 1, 2016
C through D	March 1, 2016
E through F	April 1, 2016
G through H	May 1, 2016
I through J	June 1, 2016
K through L	July 1, 2016
M through N	August 1, 2016
O through P	September 1, 2016
Q through R	October 1, 2016
S through T	November 1, 2016
U through V	December 1, 2016
W through Z	January 1, 2017

This subsection expires January 2, 2017.

~~(d)~~ **(f)** This subsection expires December 31, 2017. For a dealer license plate issued in 2015, the dealer services division shall impose a fee for the dealer license plate under IC 9-29-17 **(before its repeal)** in the amount that bears the same proportion to the annual fee for the dealer license plate as the number of months the dealer license plate is valid bears to twelve (12).

SECTION 59. IC 9-32-6-7, AS AMENDED BY P.L.151-2015, SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 7. (a) Except as provided in section 8 of this chapter, ~~dealer-new, dealer-used, manufacturer, and dealer-wholesale~~ **dealer** license plates may be used only on motor vehicles in the:

(1) dealer's inventory being held for sale;

(2) usual operation of the ~~manufacturer's or~~ dealer's business;

(3) movement of the ~~manufacturer's or~~ dealer's inventory; or

(4) inventory of a ~~manufacturer or~~ dealer that is unattended by the ~~manufacturer or~~ dealer or the dealer's agent for a maximum of ten (10) days by a prospective buyer or a service customer.

(b) The license plates referenced in subsection (a) must be:

(1) primarily used or stored at an address within Indiana; or

(2) displayed on a **motor** vehicle being transported for purposes of sale by a licensed Indiana dealer.

(c) A person ~~who~~ **that** violates this section commits a Class A infraction.

~~(d) This subsection expires January 1, 2016. A dealer-wholesale license plate may not be issued or displayed after June 30, 2015.~~

SECTION 60. IC 9-32-6-8, AS AMENDED BY P.L.151-2015, SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 8. ~~Dealer-new, dealer-used, manufacturer, and dealer-wholesale~~ **Dealer** license plates may be used by a ~~manufacturer, a dealer, or an employee of a manufacturer or a~~ dealer without restriction if the use is in compliance with section 7 of this chapter and rules adopted by the secretary to prohibit use of the plates solely to avoid payment of applicable taxes. ~~However, a dealer-wholesale license plate may not be used or displayed after June 30, 2015.~~

SECTION 61. IC 9-32-6-10, AS AMENDED BY P.L.5-2015, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 10. (a) ~~Dealer-new, dealer-used, manufacturer, and dealer-wholesale~~ **Dealer** license plates may not be used on a **motor** vehicle that:

(1) is required to be registered; and

(2) has a fee charged by dealers to others for the use of the **motor** vehicle.

~~However, a dealer-wholesale license plate may not be used or displayed after June 30, 2015.~~

(b) A person who violates this section commits a Class A infraction.

SECTION 62. IC 9-32-6-11, AS AMENDED BY P.L.188-2015, SECTION 129, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 11. (a) The secretary may issue an interim license plate to a dealer ~~or manufacturer who~~ **that** is licensed and has been issued a license plate under section 2 of this chapter.

(b) The secretary shall prescribe the form of an interim license plate issued under this section. However, an interim license plate must bear the assigned registration number and provide sufficient space for the expiration date as provided in subsection (c).

(c) ~~Whenever a dealer or manufacturer sells or leases a motor vehicle, the~~ **A** dealer ~~or manufacturer~~ may provide ~~the buyer or lessee~~ **a person** with an interim license plate **issued by the secretary when the dealer:**

(1) sells or leases a motor vehicle to the person; or

(2) allows a person that buys a motor vehicle to take delivery of the motor vehicle before the sale of the motor vehicle is fully funded.

The dealer shall, in the manner provided by the secretary, affix on the plate in numerals and letters at least three (3) inches high the date on which the interim license plate expires.

(d) An interim license plate authorizes a ~~motor vehicle owner or lessor~~ **person** to operate the **motor** vehicle ~~for a maximum period of thirty-one (31)~~ **until the earlier of the following dates:**

(1) Forty-five (45) days after the date of sale or lease of the **motor** vehicle to the ~~vehicle's owner or lessor or until~~ **person.**

(2) The date on which a regular license plate is issued. ~~whichever occurs first.~~

A person ~~who~~ **that** violates this subsection commits a Class A infraction.

(e) A motor vehicle that is required by law to display license plates on the front and rear of the **motor** vehicle is required to display only a single interim license plate.

(f) An interim license plate shall be displayed:

(1) in the same manner required in IC 9-18-2-26; or

(2) in a location on the left side of a window facing the rear of the motor vehicle that is clearly visible and unobstructed. The plate must be affixed to the window of the motor vehicle.

(g) The dealer must provide an ownership document to the ~~purchaser~~ **person** at the time of issuance of the interim license plate that must be kept in the motor vehicle during the period an interim license plate is used.

(h) All interim license plates not issued by the dealer must be retained in the possession of the dealer at all times.

(i) The fee for an interim dealer license plate is three dollars ($3). The fee shall be distributed as follows:

(1) Forty percent (40%) to the crossroads 2000 fund established by IC 8-14-10-9.

(2) Forty-nine percent (49%) to the dealer compliance account established by IC 9-32-7-1.

(3) Eleven percent (11%) to the motor vehicle highway account under IC 8-14-1.

(j) The secretary may issue an interim license plate to a person that purchases a motor vehicle from a dealer if the dealer has not timely delivered the certificate of title for the motor vehicle under IC 9-32-4-1.

(k) The secretary may design and issue to a dealer a motor driven cycle decal to be used in conjunction with an interim license plate upon the sale of a motor driven cycle.

(l) A new motor vehicle dealer may issue an interim license plate for use on a motor vehicle that the new motor vehicle dealer delivers to a purchaser under a written courtesy agreement between the new motor vehicle dealer and another new motor

vehicle dealer or manufacturer with whom the new motor vehicle dealer has a franchise agreement. A person that violates this subsection commits a Class C infraction.

~~(i)~~ **(m)** A person ~~who~~ **that** fails to display an interim license plate as prescribed in subsection (f)(1) or (f)(2) commits a Class C infraction.

SECTION 63. IC 9-32-6-12, AS AMENDED BY P.L.151-2015, SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 12. (a) A dealer may not knowingly or intentionally:

(1) issue an altered interim license plate or an interim license plate with false or fictitious information; ~~or~~

(2) alter a ~~dealer-new, dealer-used, or manufacturer~~ **dealer** license plate or use a ~~dealer-new, dealer-used, or manufacturer~~ **dealer** license plate that is false or fictitious; **or**

(3) create, issue, display, or use an interim license plate or a reproduction of an interim license plate not issued by the secretary.

(b) A dealer that violates this section commits a Class A infraction

SECTION 64. IC 9-32-6-13, AS AMENDED BY P.L.217-2014, SECTION 168, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 13. (a) A person who knowingly or intentionally operates a **motor** vehicle displaying:

(1) an ~~altered~~ interim license plate issued under section 11 of this chapter **that is altered or reproduced; or**

(2) a license plate that purports to be an interim license plate issued under section 11 of this chapter;

commits a Class C misdemeanor.

(b) A person ~~who~~ **that** knowingly and with the intent to defraud obtains an altered interim license plate ~~issued under section 11 of this chapter~~ **described in subsection (a)** commits a Class C misdemeanor.

SECTION 65. IC 9-32-6-15 IS REPEALED [EFFECTIVE JULY 1, 2016]. ~~Sec. 15. Dealer designee license plates shall be designed and issued by the bureau under IC 9-18-27-0.5.~~

SECTION 66. IC 9-32-6-16 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 16. (a) Except as provided in subsection (b), if a dealer license plate issued under this chapter or IC 9-31-3-19 is lost, stolen, or destroyed, the dealer may apply for a replacement dealer license plate in the form and manner prescribed by the secretary.**

(b) If a dealer license plate is lost or stolen, the secretary may

not issue a replacement dealer license plate until the dealer to whom the dealer license plate was issued:

(1) has notified:

(A) the Indiana law enforcement agency that has jurisdiction where the loss or theft occurred; or

(B) the law enforcement agency that has jurisdiction over the address of the dealer's established place of business; and

(2) presents to the secretary on a form prescribed by the secretary a report completed by the law enforcement agency that was notified under subdivision (1).

SECTION 67. IC 9-32-6.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]:

Chapter 6.5. Dealer Designee and Interim Manufacturer Transporter License Plates

Sec. 0.9. (a) The bureau may design and issue a dealer designee license plate for use without restriction by the bureau or a designee of a dealer.

(b) A dealer shall be assessed and pay the motor vehicle excise tax under IC 6-6-5 attributable to that part of the total year that the designee of the dealer operates the motor vehicle for which the dealer designee license plate is issued.

(c) A dealer shall report to the bureau on a form issued by the bureau the date of assignment to a designee, the designee's name and address, and the date of termination of the assignment.

(d) The tax calculated under subsection (b) shall be paid to a designee or at the time the dealer purchases license plates under this chapter.

(e) The fee for a dealer designee license plate is twenty-one dollars and thirty-five cents ($21.35). The fee shall be distributed as follows:

(1) Twenty-five cents ($0.25) to the state police building account.

(2) Thirty cents ($0.30) to the spinal cord and brain injury fund.

(3) Fifty cents ($0.50) to the state motor vehicle technology fund.

(4) One dollar and twenty-five cents ($1.25) to the integrated public safety communications fund.

(5) Three dollars ($3) to the crossroads 2000 fund.

(6) Five dollars ($5) to the commission fund.

(7) Eleven dollars and five cents ($11.05) to the motor vehicle highway account.

(f) This section expires June 30, 2017.

Sec. 1. (a) This section applies after June 30, 2017.

(b) The secretary may design and issue a dealer designee license plate for use without restriction by the secretary or a designee of a dealer.

(c) A dealer that assigns a dealer designee license plate to a person shall report to the secretary on a form issued by the secretary the date of assignment, the person's name and address, the date of termination of the assignment, and any other information the secretary requires. A copy of the form must be kept at all times in the vehicle displaying the dealer designee license plate.

(d) The fee for a dealer designee license plate is twenty-one dollars and thirty-five cents ($21.35). The fee shall be distributed as follows:

(1) Forty percent (40%) to the crossroads 2000 fund established by IC 8-14-10-9.

(2) Forty-nine percent (49%) to the dealer compliance account established by IC 9-32-7-1.

(3) Eleven percent (11%) to the motor vehicle highway account under IC 8-14-1.

Sec. 2. (a) A dealer designee license plate may be displayed only on a motor vehicle in a dealer's inventory.

(b) A person may not:

(1) lend;

(2) lease;

(3) sell;

(4) transfer;

(5) copy;

(6) alter; or

(7) reproduce;

a dealer designee license plate.

(c) A dealer designee license plate may not be used:

(1) on a motor vehicle that is required to be registered under IC 9-18;

(2) on a motor vehicle for which a dealer charges and receives compensation from an individual other than an employee of the dealer; or

(3) on a motor vehicle that a dealer leases or rents.

Sec. 3. (a) An interim manufacturer transporter license plate

shall be developed and issued as follows:

(1) Before July 1, 2017, by the bureau.

(2) After June 30, 2017, by the secretary.

(b) The fee for an interim manufacturer transporter license plate issued after June 30, 2017, is three dollars ($3). The fee shall be distributed as follows:

(1) Forty percent (40%) to the crossroads 2000 fund established by IC 8-14-10-9.

(2) Forty-nine percent (49%) to the dealer compliance account established by IC 9-32-7-1.

(3) Eleven percent (11%) to the motor vehicle highway account under IC 8-14-1.

Sec. 4. (a) An interim manufacturer transporter license plate may be issued only to a manufacturer of semitrailers or trailers that is licensed as a manufacturer under IC 9-32. The license plate may be used only in connection with delivery of newly manufactured semitrailers or trailers.

(b) A person that knowingly or intentionally uses an interim manufacturer transporter license plate for a purpose other than the delivery of a newly manufactured semitrailer or trailer commits a Class B misdemeanor.

Sec. 5. (a) An interim manufacturer transporter license plate shall be displayed on a vehicle in the manner determined by the bureau or the secretary, as applicable. Interim manufacturer transporter license plates may be issued in bulk. An interim manufacturer transporter license plate must display the assigned manufacturer's registration number.

(b) A person that knowingly or intentionally fails to display:

(1) an interim manufacturer transporter license plate; or

(2) the assigned manufacturer's registration number and expiration date on an interim manufacturer transporter license plate;

under subsection (a) commits a Class B infraction.

Sec. 6. (a) A manufacturer shall affix the proper vehicle identification number and date when an interim manufacturer transporter license plate is assigned to a specific vehicle. A license plate remains valid for thirty-one (31) days from the date the plate is affixed to the semitrailer or trailer and may not be renewed. Only one (1) interim manufacturer transporter license plate may be issued for a newly manufactured trailer or semitrailer.

(b) A person that knowingly or intentionally:

(1) displays an interim manufacturer transporter license plate

past its date of expiration; or

(2) uses an interim manufacturer transporter license plate for more than one (1) newly manufactured trailer or semitrailer;

commits a Class B infraction.

Sec. 7. (a) An interim manufacturer transporter license plate may be used only when:

(1) a manufacturer is delivering a semitrailer or trailer to a:

(A) purchaser;

(B) person that will offer the motor vehicle for sale; or

(C) motor carrier (as defined in IC 8-2.1-17-10);

(2) a purchaser or dealer accepts the motor vehicle at the manufacturer's facility; or

(3) a motor carrier delivers the semitrailer or trailer from the manufacturer to either the purchaser, a seller, or to another motor carrier that will make the delivery.

(b) A person that knowingly or intentionally uses an interim manufacturer transporter license plate for a purpose not specified in subsection (a) commits a Class B infraction.

Sec. 8. When a newly manufactured semitrailer or trailer is being delivered by a motor carrier, the driver of the motor vehicle used to pull the semitrailer or trailer shall carry a properly completed shipping document showing points of origin and destination issued by the manufacturer.

Sec. 9. A newly manufactured semitrailer or trailer displaying an interim manufacturer transporter license plate may transport property. Property being transported may be unrelated to the delivery of the semitrailer or trailer.

Sec. 10. A manufacturer may use either the license plate issued under this chapter or IC 9-18-27 (before its repeal) or a permit issued under IC 9-18-7.

Sec. 11. (a) A person that violates this chapter or a rule or order adopted or issued to implement this chapter is subject to the following:

(1) A civil penalty of at least fifty dollars ($50) and not more than one thousand dollars ($1,000) for each day of violation and for each act of violation, as determined by the court. All civil penalties recovered under this chapter shall be paid to the state.

(2) Revocation by the issuing authority of a dealer permanent or interim license plate that was issued to the person.

(3) A civil action in any circuit or superior court of Indiana for either or both of the following:

(A) Injunctive relief to restrain the person from continuing the violation of this chapter or a rule or order adopted or issued to implement this chapter.

(B) Assessment and recovery of the civil penalty imposed under subdivision (1).

The attorney general shall institute and conduct the civil action in the name of the state.

(b) This section expires June 30, 2017.

SECTION 68. IC 9-32-7-1, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1. (a) The dealer compliance account is established as a separate account to be administered by the secretary. The funds in the account must be available, with the approval of the budget agency, for use in enforcing and administering this article.

(b) The expenses of administering this article shall be paid from money in the account.

(c) The treasurer of state shall invest the money in the dealer compliance account not currently needed to meet the obligations of the account in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the account.

(d) The dealer compliance account consists of the following:

(1) Money deposited under:

(A) ~~IC 9-29-17-14(b);~~

~~(B) IC 9-29-17-14(c);~~ **IC 9-32-6;** and

~~(C)~~ **(B)** section 3(1) of this chapter.

(2) Appropriations to the account from other sources.

(3) Grants, gifts, donations, or transfers intended for deposit in the account.

(4) Interest that accrues from money in the account.

(e) Money in the dealer compliance account at the end of a state fiscal year does not revert to the state general fund.

(f) Money in the dealer compliance account is continuously appropriated to the secretary for the purposes of the account.

SECTION 69. IC 9-32-7-3, AS AMENDED BY P.L.62-2014, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 3. All money collected by the secretary from manufacturers, distributors, dealers, automobile ~~auctioneers, factory~~ **auctions, manufacturer** representatives, distributor representatives, ~~wholesale dealers,~~ transfer dealers, converter manufacturers, or automotive mobility dealers for licenses and permit fees under ~~IC 9-29-17-8 through IC 9-29-17-13~~ **IC 9-32-11** shall be deposited as

follows:

(1) Thirty percent (30%) to the dealer compliance account established by section 1 of this chapter.

(2) Forty percent (40%) to the motor vehicle highway account under IC 8-14-1.

(3) Twenty percent (20%) to the state police department, and this amount is continuously appropriated to the department for its use in enforcing odometer laws.

(4) Ten percent (10%) to the attorney general, and this amount is continuously appropriated to the attorney general for use in enforcing odometer laws.

SECTION 70. IC 9-32-8-2, AS AMENDED BY P.L.151-2015, SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. A person that sells, ~~to the general public~~ **offers to sell, or advertises for sale** at least six (6):

(1) ~~boats;~~ **watercraft;**

(2) trailers that are:

(A) designed and used exclusively for the transportation of watercraft; and

(B) sold in general association with the sale of watercraft; or

(3) items set forth in both subdivisions (1) and (2);

~~each year~~ **within a twelve (12) month period** must be licensed under this chapter. ~~before the person may engage in the business of selling boats or trailers.~~

SECTION 71. IC 9-32-8-3, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 3. (a) An application for a ~~boat~~ **watercraft** dealer license must meet all the following conditions:

(1) Be accompanied by ~~the~~ **a nonrefundable** fee ~~under IC 9-29-17-5.~~ **of thirty dollars ($30). The secretary shall retain a fee collected under this subdivision.**

(2) Be on a form prescribed by the secretary.

(3) Contain any information that the secretary reasonably needs to enable the secretary to determine fully the:

(A) qualifications and eligibility of the applicant to receive the license;

(B) location of each of the applicant's places of business in Indiana; and

(C) ability of the applicant to conduct properly the business for which the application is submitted.

(b) An application for a license as a ~~boat~~ **watercraft** dealer must show whether the applicant proposes to sell new or used ~~boats~~

watercraft or both new and used ~~boats.~~ **watercraft.**

SECTION 72. IC 9-32-8-4, AS AMENDED BY P.L.151-2015, SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 4. A license issued to a ~~boat~~ **watercraft** dealer must specify the location of the established place of business and shall be conspicuously displayed at the established place of business. If a business name or location is changed, the licensee shall notify the secretary within ten (10) days and remit ~~the~~ **a** fee ~~specified under IC 9-29-17-6(a).~~ **of five dollars ($5). The secretary shall retain a fee collected under this subsection. The secretary shall endorse the change on the watercraft dealer license if the secretary determines that the change is not subject to other provisions of this chapter.**

SECTION 73. IC 9-32-8-5, AS AMENDED BY P.L.62-2014, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. **(a)** A ~~boat~~ **watercraft** dealer license issued under this chapter shall be issued and expires based on the business name of the ~~boat~~ **watercraft** dealer as set forth in ~~IC 9-32-11-12 or~~ IC 9-32-11-12.5. ~~All license fees shall be paid at the rate under IC 9-29-17-5.~~

(b) If a watercraft dealer license is lost or destroyed, the watercraft dealer may apply for a replacement watercraft dealer license in the form and manner prescribed by the secretary.

SECTION 74. IC 9-32-8-6, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 6. (a) **Upon request of the secretary,** a person licensed under this chapter shall furnish evidence that the person:

(1) currently has liability insurance covering the person's place of business; **or**

(2) is a member of a risk retention group that is regulated by the Indiana department of insurance. ~~The~~

(b) A liability insurance policy **described in subsection (a)(1)** must have limits of not less than the following:

(1) One hundred thousand dollars ($100,000) for bodily injury to one (1) person.

(2) Three hundred thousand dollars ($300,000) per accident.

(3) Fifty thousand dollars ($50,000) for property damage.

~~(b)~~ The minimum amounts must be maintained during the time the license is valid.

SECTION 75. IC 9-32-9-1, AS AMENDED BY P.L.151-2015, SECTION 52, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1. (a) A ~~recycling facility, a used parts dealer, or an automotive salvage rebuilder~~ **person** must be licensed by the

secretary under this chapter before the ~~facility, dealer, or rebuilder~~ **person** may do any of the following:

(1) Sell a used major component part of a **motor** vehicle.

(2) Wreck, ~~or~~ dismantle, **shred, compact, crush, or otherwise destroy** a **motor** vehicle for resale of the major component parts of the **motor** vehicle **or scrap material.**

(3) Rebuild a wrecked or dismantled **motor** vehicle **for resale.**

(4) Possess **for more than thirty (30) days** more than two (2) inoperable **motor** vehicles **of a type** subject to registration ~~for more than thirty (30) days~~ **under IC 9-18** unless the ~~facility, dealer, or rebuilder~~ **person** holds a mechanic's lien on each **motor** vehicle over the quantity of two (2).

(5) Engage in the business of storing, disposing, salvaging, or recycling of **motor** vehicles, vehicle hulks, or parts of **motor** vehicles.

(b) A person who violates this section commits a Class A infraction.

SECTION 76. IC 9-32-9-2, AS AMENDED BY P.L.151-2015, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. (a) ~~A recycling facility, a used parts dealer, or~~ An automotive salvage ~~rebuilder~~ **recycler** licensed in Indiana must have an established place of business in Indiana conducting the business that is the basis for the license. An established place of business that performs only ministerial tasks is not considered to be conducting business.

(b) ~~A recycling facility, a used parts dealer, or~~ An automotive salvage ~~rebuilder who~~ **recycler that** violates this section commits a Class A infraction.

SECTION 77. IC 9-32-9-3, AS AMENDED BY P.L.151-2015, SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 3. **(a)** To apply for a license under this chapter, an automotive salvage recycler must submit an application to the secretary. An application for a license under this chapter must:

(1) be on a form prescribed by the secretary;

(2) contain the information the secretary considers necessary to enable the secretary to determine fully:

(A) the qualifications and eligibility of the applicant to receive the license; and

(B) the ability of the applicant to properly conduct the business for which the application is submitted; and

(3) be accompanied by the following:

(A) Evidence of a bond required under IC 9-32-11-2.

(B) Payment of the ~~applicable~~ fee under ~~IC 9-29-17-7.~~

subsection (c).

(C) An affidavit from:

(i) the person charged with enforcing a zoning ordinance, if the person exists; or

(ii) the zoning enforcement officer under IC 36-7-4, if a zoning enforcement officer exists;

who has jurisdiction over the real property where the applicant wants to operate as an automotive salvage recycler.

If there is no person or officer that has jurisdiction over the real property as described in subdivision (3)(C), the application must be accompanied by a statement to that effect from the executive of the unit in which the real property is located. The affidavit must state that the proposed location is zoned for the operation of an establishment of an automotive salvage recycler. The applicant may file the affidavit at any time after the filing of the application. However, the secretary may not issue a license until the applicant files the affidavit or the statement.

(b) If an automotive salvage recycler license is lost or destroyed, the automotive salvage recycler may apply for a replacement automotive salvage recycler license in the form and manner prescribed by the secretary.

(c) The fee for an automotive salvage recycler license under subsection (a) is ten dollars ($10). The fee is nonrefundable and shall be retained by the secretary.

SECTION 78. IC 9-32-9-3.5, AS ADDED BY P.L.151-2015, SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 3.5. An automotive salvage recycler ~~licensed under this chapter~~ that buys **motor** vehicles must:

(1) report the purchase of a **motor** vehicle to the National Motor Vehicle Title Information System not later than thirty (30) days after the **motor** vehicle is purchased; and

(2) provide to the seller a valid National Motor Vehicle Title Information System report identification number.

SECTION 79. IC 9-32-9-11, AS AMENDED BY P.L.151-2015, SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 11. If the secretary receives a written complaint from a local zoning body that ~~a recycling facility or~~ **an** automotive salvage ~~rebuilder,~~ **recycler,** subject to this chapter, is operating in violation of a local zoning ordinance, the secretary shall delay the issuance or renewal of the ~~facility's or rebuilder's~~ **automotive salvage recycler's** license under this chapter until the local zoning complaints have been satisfied.

SECTION 80. IC 9-32-10-2, AS ADDED BY P.L.92-2013,

SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. (a) The advisory board is composed of the secretary and eleven (11) persons appointed by the governor upon the recommendation of the secretary as follows:

(1) Two (2) of the appointed members must be franchised new motor vehicle dealers as follows:

(A) One (1) member must have sold fewer than seven hundred fifty (750) new motor vehicles in the year before the member's appointment.

(B) One (1) member must have sold more than seven hundred forty-nine (749) new motor vehicles in the year before the member's appointment.

(2) Two (2) of the appointed members must represent the ~~automobile~~ **motor vehicle** manufacturing industry, and each must have been an Indiana resident for at least two (2) years immediately preceding the member's appointment.

(3) Two (2) of the appointed members must represent the general public and may not have any direct interest in the manufacture or sale of motor vehicles.

(4) One (1) member must represent used motor vehicle dealers that are not franchised new motor vehicle dealers.

(5) One (1) member must represent used ~~motor vehicle auctioneers.~~ **automobile auctions.**

(6) One (1) member must represent the automobile salvage and recycling industry.

(7) One (1) member must represent ~~boat~~ **watercraft** dealers.

(8) One (1) member must represent the recreational vehicle industry.

(b) Not more than six (6) members of the advisory board may be of the same political party.

SECTION 81. IC 9-32-10-5, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. The secretary shall serve as chairperson of the advisory board. The advisory board shall elect a vice chairperson and secretary from the appointed members during the first ~~month~~ **meeting** of each year. The vice chairperson and secretary serve until their successors are appointed and qualified and may be removed for good cause.

SECTION 82. IC 9-32-11-1, AS AMENDED BY P.L.151-2015, SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1. (a) The following persons must be licensed under this article to engage in the business of buying, ~~or~~ selling, **or**

manufacturing motor vehicles: ~~or semitrailers.~~

(1) An automobile ~~auctioneer.~~ **auction.**

(2) A converter manufacturer.

(3) A dealer.

(4) A distributor.

(5) An automotive salvage recycler.

(6) A watercraft dealer.

(7) A manufacturer.

(8) A transfer dealer.

~~(9) Before July 1, 2015, a wholesale dealer.~~

~~(10)~~ **(9)** An automotive mobility dealer.

(b) An automotive mobility dealer who engages in the business of:

(1) selling, installing, or servicing;

(2) offering to sell, install, or service; or

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

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

SECTION 83. IC 9-32-11-2, AS AMENDED BY P.L.151-2015, SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. (a) An application for a license under this chapter must:

(1) be accompanied by payment of the applicable fee required under ~~IC 9-29-17;~~ **this section;**

(2) be on a form prescribed by the secretary;

(3) contain the information the secretary considers necessary to enable the secretary to determine fully:

(A) the qualifications and eligibility of the applicant to receive the license; and

(B) the ability of the applicant to conduct properly the business for which the application is submitted; and

(4) contain evidence of a bond required in subsection (e).

~~An application for a wholesale dealer license must contain the additional information required in section 3 of this chapter. The secretary of state may not accept an application for a wholesale dealer license after June 30, 2015.~~

(b) An application for a license as a dealer must show whether the applicant proposes to sell new or used motor vehicles, or both.

(c) An applicant who proposes to use the Internet or another

computer network to facilitate the sale of motor vehicles ~~to consumers in Indiana~~ shall maintain all records at the established place of business in Indiana.

(d) The application must include an affidavit from:

(1) the person charged with enforcing a zoning ordinance, if one exists; or

(2) the zoning enforcement officer under IC 36-7-4, if one exists;

who has jurisdiction over the real property where the applicant wants to operate as a dealer. If there is no person or officer that has jurisdiction over the real property, the application must be accompanied by a statement to that effect from the executive of the unit in which the real property is located. The affidavit must state that the proposed location is zoned for the operation of a dealer's establishment. The applicant may file the affidavit at any time after the filing of the application. However, the secretary may not issue a license until the applicant files the affidavit or the statement.

(e) ~~Except as provided in subsection (g),~~ A licensee shall maintain a bond satisfactory to the secretary in the amount of twenty-five thousand dollars ($25,000). The bond must:

(1) be in favor of the state;

(2) secure payment of fines, penalties, costs, and fees assessed by the secretary after:

(A) notice;

(B) opportunity for a hearing; and

(C) opportunity for judicial review; and

(3) secure the payment of damages to a person aggrieved by a violation of this article by the licensee after a judgment has been issued.

(f) Service under this chapter shall be made in accordance with the Indiana Rules of Trial Procedure.

~~(g) Instead of meeting the requirement in subsection (e), a licensee may submit to the secretary evidence that the licensee is a member of a risk retention group that is regulated by the Indiana department of insurance.~~

(g) The fee for a license for a manufacturer or a distributor is thirty-five dollars ($35).

(h) The fee for a license for a dealer or an automobile auction is thirty dollars ($30).

(i) The fee for a transfer dealer, a converter manufacturer, or an automotive mobility dealer is twenty dollars ($20).

(j) The fees collected under this section are nonrefundable and shall be deposited as set forth in IC 9-32-7-3.

SECTION 84. IC 9-32-11-6, AS AMENDED BY P.L.151-2015, SECTION 67, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 6. (a) ~~The~~ **A** license issued to a dealer under this chapter:

(1) must specify the established place of business; and

(2) shall be conspicuously displayed at the established place of business.

(b) If a licensee's business name or location is changed, the licensee shall notify the secretary not later than ten (10) days after the change and remit ~~the~~ **a** fee ~~required under IC 9-29-17.~~ **of five dollars ($5). The secretary shall retain the fee.** The secretary shall endorse the change on the license if the secretary determines that the change is not subject to other provisions of this article.

(c) A dealer ~~who~~ **that** uses the Internet or another computer network to facilitate the sale of motor vehicles as set forth in section 2(c) of this chapter shall notify the secretary not later than ten (10) days after any change in a name, address, or telephone number documented in business records located outside Indiana that have been created in transactions made in Indiana by the dealer. A report made under this subsection is not subject to the fee ~~required~~ under ~~IC 9-29-17.~~ **subsection (b).**

(d) A dealer ~~who~~ **that** wants to change a location must submit to the secretary an application for approval of the change. The application must be accompanied by an affidavit from:

(1) the person charged with enforcing a zoning ordinance described in this subsection; or

(2) the zoning enforcement officer under IC 36-7-4, if one exists;

~~who~~ **that** has jurisdiction over the real property where the applicant wants to operate as a dealer. If there is no person or officer that has jurisdiction over the real property, the application must be accompanied by a statement to that effect from the executive of the unit in which the real property is located. The affidavit must state that the proposed location is zoned for the operation of a dealer's establishment. The secretary may not approve a change of location or endorse a change of location on the dealer's license until the dealer provides the affidavit or the statement.

(e) For the purpose of this section, an offsite sales license issued under section 11 of this chapter does not constitute a change of location.

SECTION 85. IC 9-32-11-7, AS AMENDED BY P.L.151-2015, SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 7. (a) A distributor representative and a

manufacturer representative become certified by:

(1) the licensed distributor or licensed manufacturer completing an application with the secretary to add the distributor representative or manufacturer representative to the license; and

(2) paying ~~the applicable fee required under IC 9-29-17.~~ **a nonrefundable fee of twenty dollars ($20).**

The fee shall be deposited as set forth in IC 9-32-7-3.

(b) Any change to the certification of the distributor representative or manufacturer representative must be submitted to the secretary not later than ten (10) days after the change. The secretary shall endorse the change on the certification. A representative must have a certification when engaged in business and shall display the certification upon request.

(c) A distributor representative or manufacturer representative certification expires on the earlier of the following dates:

(1) The date on which the license issued to the distributor or manufacturer that certified the representative expires.

(2) The date on which the secretary receives notice that the certified distributor representative or manufacturer representative is no longer a representative of the licensed distributor or manufacturer.

SECTION 86. IC 9-32-11-8, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 8. The secretary shall, by rules adopted under IC 4-22-2, establish requirements for an initial application for and renewal of ~~an automotive mobility~~ **a** dealer's license. The rules must include a requirement that each initial or renewal application for an automotive mobility dealer's license include proof that the applicant is accredited through the Quality Assurance Program of the National Mobility Equipment Dealers Association.

SECTION 87. IC 9-32-11-10, AS AMENDED BY P.L.151-2015, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 10. This section does not apply to sales made at a motor vehicle industry sponsored trade show. A dealer ~~who~~ **that** sells to the general public may not sell or offer to sell a **motor** vehicle at a location away from the dealer's established place of business without obtaining an offsite sales permit under section 11 of this chapter.

SECTION 88. IC 9-32-11-11, AS AMENDED BY P.L.151-2015, SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 11. (a) Except as provided in subsections (b) through (g), the secretary shall issue an offsite sales permit to a dealer licensed under this chapter who submits an application for the permit

not later than ten (10) business days or two (2) calendar weeks before the offsite sale date. Permit applications under this section shall be made public upon the request of any person.

(b) The secretary may not issue an offsite sales permit to a dealer who does not have an established place of business within Indiana.

(c) The secretary may not issue an offsite sales permit to a licensed dealer proposing to conduct a sale outside a radius of twenty (20) miles from the established place of business of the licensed dealer. The following may conduct an offsite sale with an offsite sales permit outside a radius of twenty (20) miles from the established place of business of the licensed dealer:

(1) New manufactured ~~housing~~ **home** dealers.

(2) Recreational vehicle dealers.

(3) A rental company that is a dealer conducting a sale at a site within twenty (20) miles of any of its company owned affiliates.

(4) Off-road vehicle dealers.

(5) Dealers of **motor** vehicles classified as classic, collector, or antique under rules adopted under section 18(a)(2)(B) of this chapter.

(d) A **motor** vehicle display is not considered an offsite sale if it is conducted by a new **motor** vehicle ~~franchised~~ dealer in an open area where no sales personnel and no sales material are present.

(e) The secretary may not issue an offsite sales permit to a licensed dealer proposing to conduct an offsite sale for more than ten (10) calendar days.

(f) ~~As used in this subsection, "executive" has the meaning set forth in IC 36-1-2-5.~~ The secretary may not issue an offsite sales permit to a licensed dealer if the dealer does not have certification that the offsite sale would be in compliance with local zoning ordinances or other local ordinances. Authorization under this subsection may be ~~obtained only from the following:~~

~~(1) If the offsite sale would be located within the corporate boundaries of a city or town, the executive of the city or town.~~

~~(2) If the offsite sale would be located outside the corporate boundaries of a city or town:~~

~~(A) except as provided in clause (B), the executive of the county; or~~

~~(B) if the city or town exercises zoning jurisdiction under IC 36-7-4-205(b) over the area where the offsite sale would be located, the executive of the city or town.~~ **demonstrated with an affidavit from:**

(1) the person charged with enforcing a zoning ordinance, if

the person exists; or

(2) the zoning enforcement officer under IC 36-7-4, if a zoning enforcement officer exists;

who has jurisdiction over the real property where the dealer wants to conduct an offsite sale. If there is no person or officer that has jurisdiction over the real property, the application must be accompanied by a statement of authorization from the executive (as defined in IC 36-1-2-5) of the unit in which the real property is located. The secretary may not issue an offsite sales permit until the dealer files an affidavit under this subsection.

(g) The secretary may not issue an offsite sales permit to a licensed dealer who has held more than three (3) nonconsecutive offsite sales in the year ending on the date of the offsite sale for which the permit application is being submitted.

(h) Section 2(c) of this chapter does not apply to the application or issuance of an offsite sales permit under this section.

(i) The fee for an offsite sales permit is twenty-five dollars ($25). The fee is nonrefundable and shall be deposited as set forth in IC 9-32-7-3.

SECTION 89. IC 9-32-11-11.5, AS ADDED BY P.L.151-2015, SECTION 71, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 11.5. (a) A person that is a licensed dealer in a state other than Indiana may apply for an out-of-state dealer special event permit from the secretary for a special event auction if the following conditions are met:

(1) The event is a **motor** vehicle auction conducted by an auctioneer licensed under IC 25-6.1-3.

(2) The **motor** vehicles to be auctioned are:

(A) at least fifteen (15) years old; or

(B) classified as classic, collector, or antique **motor** vehicles under rules adopted by the secretary.

(3) At least two hundred (200) **motor** vehicles will be auctioned during the special event.

(4) The person submits an application for a special event permit to the secretary not later than thirty (30) days prior to the beginning date of the special event auction.

(5) The application for the special event permit includes the following:

(A) Copies of licenses for all auctioneers for the special event auction.

(B) A copy of a valid dealer's license from the other state.

(C) An affidavit from:

(i) the person charged with enforcing a zoning ordinance, if the person exists; or

(ii) the zoning enforcement officer under IC 36-7-4, if a zoning enforcement officer exists;

who has jurisdiction over the real property where the applicant wants to operate the special event auction. If there is no person or officer that has jurisdiction over the real property as described in this clause, the application must be accompanied by a statement to that effect from the executive of the unit in which the real property is located. The affidavit must state that the proposed location is zoned for the operation of a special event auction. The applicant may file the affidavit at any time after the filing of the application. However, the secretary may not issue a special event auction permit until the applicant files the affidavit or the statement.

(b) Not more than one (1) special event auction permit may be issued by the secretary to the same applicant within a twelve (12) month period.

(c) If the application for the special event permit is approved, the dealer must submit ~~the permit~~ **a** fee ~~required by IC 9-29-17-17.~~ **of five hundred dollars ($500). The secretary shall retain the fee.**

SECTION 90. IC 9-32-11-12 IS REPEALED [EFFECTIVE JULY 1, 2016]. ~~Sec. 12. (a) This section applies to licenses (other than wholesale dealer licenses) issued before January 1, 2015.~~

~~(b) An initial or renewed license issued under this article is valid from the issue date through the expiration date in accordance with the following schedule:~~

~~(1) The license of a person whose business name begins with the letters A through B expires March 1, 2015.~~

~~(2) The license of a person whose business name begins with the letters C through D expires April 1, 2015.~~

~~(3) The license of a person whose business name begins with the letters E through G expires May 1, 2015.~~

~~(4) The license of a person whose business name begins with the letters H through I expires June 1, 2015.~~

~~(5) The license of a person whose business name begins with the letters J through L expires July 1, 2015.~~

~~(6) The license of a person whose business name begins with the letters M through O expires August 1, 2015.~~

~~(7) The license of a person whose business name begins with the letters P through R expires September 1, 2015.~~

~~(8) The license of a person whose business name begins with the~~

~~letters S through T expires October 1, 2015.~~

~~(9) The license of a person whose business name begins with the letters U through Z expires November 1, 2015.~~

~~(c) A sole proprietor shall register based upon the name of the sole proprietorship.~~

~~(d) A person that is required to hold a license described in subsection (a) and that fails to comply with that requirement commits a Class A infraction.~~

SECTION 91. IC 9-32-11-12.5, AS ADDED BY P.L.113-2014, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 12.5. (a) This section applies to licenses (other than wholesale dealer licenses) issued after December 31, 2014.

(b) An initial or renewed license issued under this article is valid from the issue date through the expiration date in accordance with the following schedule:

(1) A license for a person whose business name begins with the letters A through B expires February 1 of each year.

(2) A license for a person whose business name begins with the letters C through D expires March 1 of each year.

(3) A license for a person whose business name begins with the letters E through F expires April 1 of each year.

(4) A license for a person whose business name begins with the letters G through H expires May 1 of each year.

(5) A license for a person whose business name begins with the letters I through J expires June 1 of each year.

(6) A license for a person whose business name begins with the letters K through L expires July 1 of each year.

(7) A license for a person whose business name begins with the letters M through N expires August 1 of each year.

(8) A license for a person whose business name begins with the letters O through P expires September 1 of each year.

(9) A license for a person whose business name begins with the letters Q through R expires October 1 of each year.

(10) A license for a person whose business name begins with the letters S through T expires November 1 of each year.

(11) A license for a person whose business name begins with the letters U through V expires December 1 of each year.

(12) A license for a person whose business name begins with the letters W through Z expires January 1 of each year.

~~A sole proprietor shall register based upon the name of the sole proprietorship.~~

(c) A dealer license issued to a person whose business name

begins with a nonalpha character expires November 1 of each year.

~~(c)~~ **(d)** Notwithstanding subsection (b), a license issued in 2015 expires as follows:

License issued to a person with a business name beginning with:	License expiration date:
A through B	February 1, 2016
C through D	March 1, 2016
E through F	April 1, 2016
G through H	May 1, 2016
I through J	June 1, 2016
K through L	July 1, 2016
M through N	August 1, 2016
O through P	September 1, 2016
Q through R	October 1, 2016
S through T	November 1, 2016
U through V	December 1, 2016
W through Z	January 1, 2017

This subsection expires January 2, 2017.

~~(d) This subsection expires December 31, 2017. For a license issued in 2015, the dealer services division shall impose a fee for the license under IC 9-29-17 in the amount that bears the same proportion to the annual fee for the license as the number of months the license is valid bears to twelve (12).~~

(e) A person who violates this section by operating on an expired license issued under this chapter commits a Class A infraction.

SECTION 92. IC 9-32-11-14, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 14. (a) **At the time of each license application and upon request of the secretary,** a person licensed under this article shall furnish evidence that the person:

(1) has liability insurance or garage liability insurance covering the person's place of business; **or**

(2) is a member of a risk retention group that is regulated by the Indiana department of insurance. ~~The~~

(b) A policy **described in subsection (a)(1)** must have limits of at least the following:

(1) One hundred thousand dollars ($100,000) for bodily injury to one (1) person.

(2) Three hundred thousand dollars ($300,000) for bodily injury for each accident.

(3) Fifty thousand dollars ($50,000) for property damage.

~~(b)~~ The minimum amounts required by **this** subsection ~~(a)~~ must be maintained during the time the license is valid.

SECTION 93. IC 9-32-11-15, AS AMENDED BY P.L.151-2015, SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 15. (a) A person who ceases a business activity for which a license was issued under this chapter shall do the following:

(1) **On a form prescribed by the secretary,** notify the secretary of the date that the business activity will cease.

(2) Deliver to the secretary **the license and** all permanent dealer license plates, **including dealer designee license plates,** issued to the person not later than ten (10) days after the date the business activity will cease.

(b) A dealer may not transfer or sell the:

(1) dealer's license; ~~or~~

(2) use of the dealer's license;

(3) dealer's dealer license plates; or

(4) use of the dealer's dealer license plates.

(c) A dealer that changes its form of organization or state of incorporation may continue the dealer's licensure by filing an amendment to the **license and** registration if the change does not involve a material fact in the financial condition or management of the dealer. The amendment becomes effective when filed or on the date designated by the ~~registrant~~ **dealer** in its filing. The new organization is a successor to the original ~~registrant~~ **dealer** for the purposes of this article.

(d) If there is a change in the dealer's ownership, the successive owner shall file a new application for a license under this chapter.

SECTION 94. IC 9-32-11-16, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 16. Except as **otherwise** provided in ~~IC 9-29-17,~~ **this chapter,** all revenues accruing to the secretary under this chapter shall be deposited in the motor vehicle highway account under IC 8-14-1.

SECTION 95. IC 9-32-11-17, AS AMENDED BY P.L.62-2014, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 17. ~~This section does not apply to a wholesale dealer.~~ A dealer who sells a motor vehicle through the use of the Internet or another computer network shall deliver the motor vehicle to the customer, or the customer's representative, at the place of business of the dealer in Indiana.

SECTION 96. IC 9-32-11-18, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

JULY 1, 2016]: Sec. 18. (a) A person licensed under this article shall be issued a special event permit from the secretary for a special event that meets the following conditions:

(1) The event is a **motor** vehicle auction conducted by auctioneers licensed under IC 25-6.1-3.

(2) The **motor** vehicles to be auctioned are:

(A) at least fifteen (15) years old; or

(B) classified as classic, collector, or antique **motor** vehicles under rules adopted by the secretary.

(3) At least one hundred (100) **motor** vehicles will be auctioned during the special event.

(4) The licensee submits to the secretary an application for a special event permit not later than thirty (30) days before the beginning date of the special event.

(5) The application under subdivision (4) is accompanied by ~~the permit fee required under IC 9-29-17-13.~~ **a fee of two hundred fifty dollars ($250). The fee shall be deposited as set forth in IC 9-32-7-3.**

(b) Not more than two (2) special event permits may be issued by the secretary to the same applicant within a twelve (12) month period.

SECTION 97. IC 9-32-11-19 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 19. If a license issued under this chapter is lost or destroyed, the person to which the license is issued may apply for a replacement license.**

SECTION 98. IC 9-32-13-4, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 4. It is an unfair practice for a dealer to sell a new motor vehicle having a trade name, trade or service mark, or related characteristic for which the dealer does not have a franchise in effect at the time of the sale. However, a **motor** vehicle having more than one (1) trade name, trade or service mark, or related characteristic as a result of modification or further manufacture by a manufacturer, converter manufacturer, or an automotive mobility dealer licensed under this article may be sold by a franchisee appointed by that manufacturer, converter manufacturer, or automotive mobility dealer.

SECTION 99. IC 9-32-13-6, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 6. It is an unfair practice for a dealer to sell, exchange, or transfer a rebuilt vehicle without disclosing in writing to the purchaser, customer, or transferee the fact that the **motor** vehicle is a rebuilt vehicle if the dealer knows or should reasonably know

before consummating the sale, exchange, or transfer that the **motor** vehicle is a rebuilt vehicle.

SECTION 100. IC 9-32-13-14, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 14. It is an unfair practice for a manufacturer or distributor to employ a person as a representative who ~~has not been licensed~~ **is not certified** under this article.

SECTION 101. IC 9-32-13-16, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 16. (a) A manufacturer or distributor and at least thirty percent (30%) of its franchisees in Indiana of the same line make may agree in an express written contract citing this section to a uniform warranty reimbursement policy to be used by franchisees for the performance of warranty repairs. The contract must include reimbursement for parts used in warranty repairs or the use of a uniform time standards manual, or both. The allowance for diagnosis within the uniform time standards manual must be reasonable and adequate for the work and service to be performed. The manufacturer or distributor:

(1) may have only one (1) contract with regard to each line make; and

(2) must have a reasonable and fair procedure for franchisees to request a modification or adjustment of a standard included in the uniform time standards manual.

(b) A contract described in subsection (a) must meet the following criteria:

(1) Establish a uniform parts reimbursement rate that must be greater than the manufacturer's or distributor's nationally established parts reimbursement rate in effect at the time the contract becomes effective. A subsequent contract must include a uniform reimbursement rate that is equal to or greater than the rate in the immediately prior contract.

(2) Apply to all warranty repair orders written while the agreement is in effect.

(3) At any time during the period the contract is in effect:

(A) be available to any franchisee of the same line make as the franchisees that entered into the contract with the manufacturer or distributor; and

(B) be available to a franchisee of the same line make on the same terms as apply to the franchisees that entered into the contract with the manufacturer or distributor.

(4) Be for a term not to exceed three (3) years.

(5) Allow any party to the uniform warranty reimbursement policy to terminate the policy with thirty (30) days prior written notice to all parties upon the annual anniversary of the policy, if the policy is for at least one (1) year.

(6) Remain in effect for the entire original period if the manufacturer and at least one (1) franchisee remain parties to the policy.

(c) A manufacturer or distributor that enters into a contract with its franchisees under subsection (a) may seek to recover only its costs from a franchisee that receives a higher reimbursement rate, if authorized by law, subject to the following:

(1) Costs may be recovered only by increasing invoice prices on new **motor** vehicles received by the franchisee.

(2) A manufacturer or distributor may make an exception for **motor** vehicles that are titled in the name of a purchaser in another state. However, price increases imposed for the purpose of recovering costs imposed by this section may vary from time to time and from model to model and must apply uniformly to all franchisees of the same line make that have requested reimbursement for warranty repairs at a level higher than provided for in the contract.

(d) A manufacturer or distributor that enters into a contract with its franchisees under subsection (a) shall do the following:

(1) Certify to the secretary under oath, in a writing signed by a representative of the manufacturer or distributor, that at the time the contract was entered into at least thirty percent (30%) of the franchisees of the line make were parties to the contract.

(2) File a copy of the contract with the bureau at the time of the certification.

(3) Maintain a file that contains the information upon which the certification required under subdivision (1) is based for three (3) years after the certification is made.

SECTION 102. IC 9-32-13-22, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 22. (a) It is an unfair practice for a manufacturer to terminate a franchise in violation of IC 23-2-2.7-3. A dealer may not transfer, assign, or sell the business and assets of a dealership or an interest in the dealership to another person under an agreement that contemplates or is conditioned on a continuation of the franchise relationship with the manufacturer or distributor unless the dealer first:

(1) notifies the manufacturer or distributor of the dealer's decision to make the transfer, assignment, or sale by written notice; and

(2) obtains the approval of the manufacturer or distributor.

The dealer must provide the manufacturer or distributor with completed application forms and related information generally used by the manufacturer or distributor to conduct a review of such a proposal and a copy of all agreements regarding the proposed transfer, assignment, or sale.

(b) The manufacturer or distributor shall send a letter by certified mail to the dealer not later than sixty (60) days after the manufacturer or distributor receives the information specified in subsection (a). The letter must indicate any disapproval of the transfer, assignment, or sale and must set forth the material reasons for the disapproval. If the manufacturer or distributor does not respond by letter within sixty (60) days after the manufacturer or distributor receives the information under subsection (a), the manufacturer's or distributor's consent to the proposed transfer, assignment, or sale is considered to have been granted. A manufacturer or distributor may not unreasonably withhold approval of a transfer, assignment, or sale under this section.

(c) A manufacturer or distributor has a right of first refusal as specified in the franchise agreement to acquire the new **motor** vehicle dealer's assets or ownership if there is a proposed change of more than fifty percent (50%) of the dealer's ownership or proposed transfer of more than fifty percent (50%) of the new **motor** vehicle dealer's assets, and all the following are met:

(1) The manufacturer or distributor notifies the dealer in writing of the intent of the manufacturer or distributor to exercise the right of first refusal within the sixty (60) day notice period under subsection (b).

(2) The exercise of the right of first refusal will result in the dealer and the dealer's owners receiving consideration, terms, and conditions that are either the same as or better than those they have contracted to receive under the proposed change of more than fifty percent (50%) of the dealer's ownership or transfer of more than fifty percent (50%) of the new **motor** vehicle dealer's assets.

(3) The proposed change of the dealership's ownership or transfer of the new **motor** vehicle dealer's assets does not involve the transfer of assets or the transfer or issuance of stock by the dealer or one (1) or more of the dealer's owners to any of the following:

(A) A designated family member or members, including any of the following members of one (1) or more dealer owners:

(i) The spouse.

(ii) A child.

(iii) A grandchild.
(iv) The spouse of a child or a grandchild.
(v) A sibling.
(vi) A parent.
(B) A manager:
(i) employed by the dealer in the dealership during the previous four (4) years; and
(ii) who is otherwise qualified as a dealer operator.
(C) A partnership or corporation controlled by any of the family members described in clause (A).
(D) A trust arrangement established or to be established:
(i) for the purpose of allowing the new **motor** vehicle dealer to continue to qualify as such under the manufacturer's or distributor's standards; or
(ii) to provide for the succession of the franchise agreement to designated family members or qualified management in the event of the death or incapacity of the dealer or the principal owner or owners.

(4) Except as otherwise provided in this subsection, the manufacturer or distributor agrees to pay the reasonable expenses, including reasonable attorney's fees, that do not exceed the usual, customary, and reasonable fees charged for similar work done for other clients, and that are incurred by the proposed owner or transferee before the manufacturer's or distributor's exercise of the right of first refusal in negotiating and implementing the contract for the proposed change of the dealer ownership or the transfer of the new **motor** vehicle dealer's assets. Payment of expenses and attorney's fees is not required if the dealer has failed to submit an accounting of those expenses not later than twenty (20) days after the dealer receives the manufacturer's or distributor's written request for such an accounting. An expense accounting may be requested by a manufacturer or distributor before exercising the right of first refusal.

(d) Violation of this section by a manufacturer or distributor is an unfair practice by the manufacturer or distributor.

SECTION 103. IC 9-32-13-23, AS AMENDED BY P.L.2-2014, SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 23. (a) It is an unfair practice for a manufacturer, distributor, officer, or agent to do any of the following:

(1) Require, coerce, or attempt to coerce a new motor vehicle dealer in Indiana to:
(A) change the location of the dealership;

(B) make any substantial alterations to the use of franchises; or

(C) make any substantial alterations to the dealership premises or facilities;

if to do so would be unreasonable or would not be justified by current economic conditions or reasonable business considerations. This subdivision does not prevent a manufacturer or distributor from establishing and enforcing reasonable facility requirements. However, a **new** motor vehicle dealer may elect to use for the facility alteration locally sourced materials or supplies that are substantially similar to those required by the manufacturer or distributor, subject to the approval of the manufacturer or distributor.

(2) Require, coerce, or attempt to coerce a new motor vehicle dealer in Indiana to divest ownership of or management in another line or make of motor vehicles that the dealer has established in its dealership facilities with the prior written approval of the manufacturer or distributor.

(3) Establish or acquire wholly or partially a franchisor owned outlet engaged wholly or partially in a substantially identical business to that of the franchisee within the exclusive territory granted the franchisee by the franchise agreement or, if no exclusive territory is designated, competing unfairly with the franchisee within a reasonable market area. A franchisor is not considered to be competing unfairly if operating:

(A) a business for less than two (2) years;

(B) in a bona fide retail operation that is for sale to any qualified independent person at a fair and reasonable price; or

(C) in a bona fide relationship in which an independent person has made a significant investment subject to loss in the business operation and can reasonably expect to acquire majority ownership or managerial control of the business on reasonable terms and conditions.

(4) Require a dealer, as a condition of granting or continuing a franchise, approving the transfer of ownership or assets of a new motor vehicle dealer, or approving a successor to a new motor vehicle dealer to:

(A) construct a new dealership facility;

(B) modify or change the location of an existing dealership; or

(C) grant the manufacturer or distributor control rights over any real property owned, leased, controlled, or occupied by the dealer.

(5) Prohibit a dealer from representing more than one (1) line make of motor vehicles from the same or a modified facility if:

(A) reasonable facilities exist for the combined operations;

(B) the dealer meets reasonable capitalization requirements for the original line make and complies with the reasonable facilities requirements of the manufacturer or distributor; and

(C) the prohibition is not justified by the reasonable business considerations of the manufacturer or distributor.

Subdivisions (3) through (5) do not apply to recreational vehicle manufacturer franchisors.

(b) This section does not prohibit the enforcement of a voluntary agreement between the manufacturer or distributor and the franchisee where separate and valuable consideration has been offered and accepted.

SECTION 104. IC 9-32-13-25, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 25. It is an unfair practice for a person to:

(1) act as;

(2) offer to act as; or

(3) profess to be;

a broker in the advertising, buying, or selling of ~~at least five (5)~~ **a** new or used ~~vehicles per year.~~ **motor vehicle.**

SECTION 105. IC 9-32-13-26, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 26. It is an unfair practice for a dealer to, in connection with the offer, sale, or purchase of a **motor** vehicle, directly or indirectly:

(1) employ a device, scheme, or artifice to defraud;

(2) make an untrue statement of a material fact or omit to state a material fact necessary to make the statement made, in light of the circumstances under which the statement was made, not misleading; or

(3) engage in an act, practice, or course of business that operates or would operate as a fraud or deceit upon another person.

SECTION 106. IC 9-32-13-27, AS ADDED BY P.L.152-2013, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 27. (a) It is an unfair practice for a manufacturer or distributor to do the following:

(1) Cancel or terminate a franchise ~~or selling agreement~~ of a franchisee, or fail or refuse to extend or renew a franchise ~~or selling agreement~~ upon the franchise's ~~or selling agreement's~~ expiration, without good cause ~~or~~ **and** notice to the franchisee by

certified mail, return receipt requested:

(A) at least ninety (90) days before the cancellation or termination; or

(B) at least ten (10) days before the cancellation or termination if any of the following apply:

(i) The franchisee has abandoned business operations or otherwise failed to conduct sales and service operations during regular business hours for at least seven (7) consecutive business days, unless the abandonment or closure is due to an act of God or another act over which the franchisee has no control.

(ii) The franchisee or another operator of the franchise has been convicted of or pled guilty to an offense punishable by at least one (1) year of imprisonment.

(iii) The dealer files for bankruptcy or enters into receivership.

(iv) The license of the dealer is revoked under IC 9-32-11 or IC 9-32-16.

(v) The dealer commits fraud.

(2) Offer a renewal, replacement, or succeeding franchise ~~or selling agreement~~ that substantially changes or modifies the sales and service obligations, facilities standards, capital requirements, or other terms of the original franchise or agreement of a franchisee without notice to the franchisee by certified mail, return receipt requested, at least ninety (90) days before the expiration or termination of the original franchise or agreement.

(3) Terminate a dealer for the dealer's failure to meet a performance standard that is not statistically valid, reliable, and reasonable.

Notice provided under this subsection must include a detailed statement setting forth the specific grounds for the proposed action.

(b) For purposes of subsection (a)(1), the following do not constitute good cause, provided that no unfair practice is committed under IC 9-32-13-12 and no transfer, sale, or assignment is made in violation of IC 9-32-13-22:

(1) A change of ownership or executive management of a dealership.

(2) Requiring the appointment of an individual to an executive management position in a dealership.

(3) Ownership of, investment in, participation in the management of, or holding a license for the sale of any line make of new motor vehicles by a franchisee or an owner of an interest in a franchise.

(c) Good cause exists under subsection (a)(1) with respect to all franchisees of a line make if the manufacturer of the line make permanently discontinues the manufacture or assembly of the line make.

(d) Not more than thirty (30) days after a franchisee receives notice under subsection (a), the franchisee may protest the proposed action **by bringing a declaratory judgment action before the division.**

(e) If a franchisee makes a timely and proper request under subsection (d) for declaratory judgment to protest a proposed action under subsection (a)(1), the division shall schedule an administrative hearing. The administrative hearing must comply with IC 4-21.5. The declaratory judgment action must include a determination of whether good cause exists for the proposed action.

SECTION 107. IC 9-32-13-31, AS ADDED BY P.L.217-2014, SECTION 174, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 31. **(a) A dealer that alleges the commission of an unfair practice by a manufacturer or distributor in violation of section 8, 9, 10, 11, 12, 13, 14, 15, 17, 18, 19, 20, 21, 22, 23, 28, 29, or 30 of this chapter may file a complaint with the division under IC 9-32-16-15.**

(b) Upon receipt of a complaint under subsection (a), the division may conduct an investigation under IC 9-32-16-14.

(c) If the division determines that a manufacturer or distributor has committed a violation, including an unfair practice described in subsection (a), the division may take action against the manufacturer or distributor under IC 9-32-16 and IC 9-32-17.

(d) A person that performs an act that is an unfair practice under this chapter commits a Class A infraction.

(e) This section does not limit the ability of a dealer, manufacturer, or distributor to request a hearing under IC 9-32-16-2.

SECTION 108. IC 9-32-14-4, AS ADDED BY P.L.152-2013, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 4. (a) This section does not apply to damage to:

(1) glass;
(2) radios;
(3) tires;
(4) air bags;
(5) navigation systems;
(6) DVD players;
(7) voice command devices;

(8) hands free technology; and
(9) bumpers;
when replaced by identical manufacturer's original equipment.

(b) Any uncorrected damage or any corrected damage to a new motor vehicle that exceeds four percent (4%) of the manufacturer's suggested retail price (as defined in 26 U.S.C. 4216), as measured by retail repair costs, must be disclosed by the dealer in writing before delivery of the motor vehicle to the ultimate purchaser.

(c) A person that violates this section commits a Class A infraction.

SECTION 109. IC 9-32-16-1, AS AMENDED BY P.L.216-2014, SECTION 159, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1. (a) This chapter shall be administered by the secretary.

(b) The secretary:
(1) shall employ employees, including a director, investigators, or attorneys, necessary for the administration of this article; and
(2) shall fix the compensation of the employees with the approval of the budget agency.

(c) It is unlawful for the director or an officer, employee, or designee of the secretary to use for personal benefit or the benefit of others records or other information obtained by or filed with the dealer services division under this article that are confidential. This article does not authorize the director or an officer, employee, or designee of the secretary to disclose the record or information, except in accordance with this chapter.

(d) This article does not create or diminish a privilege or exemption that exists at common law, by statute or rule, or otherwise.

(e) The secretary may develop and implement dealer's and **motor** vehicle purchaser's education initiatives to inform dealers and the public about the offer or sale of **motor** vehicles, with particular emphasis on the prevention and detection of fraud involving **motor** vehicle sales. In developing and implementing these initiatives, the secretary may collaborate with public and nonprofit organizations with an interest in consumer education. The secretary may accept a grant or donation from a person that is not affiliated with the dealer industry or from a nonprofit organization, regardless of whether the organization is affiliated with the dealer industry, to develop and implement consumer education initiatives. This subsection does not authorize the secretary to require participation or monetary contributions of a registrant in an education program.

(f) Fees and funds accruing from the administration of this article:

(1) described in IC 9-32-7-1(d) shall be accounted for by the secretary and shall be deposited with the treasurer of state to be deposited in the dealer compliance account established by IC 9-32-7-1(a);

(2) described in IC 9-32-7-2(b) shall be accounted for by the secretary and shall be deposited with the treasurer of state to be deposited in the dealer enforcement account established by IC 9-32-7-2(a);

(3) ~~described in IC 9-29-17-14(b)(2), IC 9-29-17-14(c)(3), and IC 9-32-7-3(2)~~ **that are designated for deposit in the motor vehicle highway account** shall be accounted for by the secretary and shall be deposited with the treasurer of state to be deposited in the motor vehicle highway account under IC 8-14-1;

(4) described in IC 9-32-7-3(3) shall be accounted for by the secretary and shall be deposited with the treasurer of state to be deposited with the state police department, and these fees and funds are continuously appropriated to the department for its use in enforcing odometer laws;

(5) described in IC 9-32-7-3(4) shall be accounted for by the secretary and shall be deposited with the treasurer of state to be deposited with the attorney general, and these fees and funds are continuously appropriated to the attorney general for use in enforcing odometer laws; and

(6) ~~described in IC 9-29-1-4(a) (before its amendment January 1, 2015)~~ **that are designated for deposit in the state police building account** shall be accounted for by the secretary and shall be deposited with the treasurer of state to be deposited in the state police building account.

Expenses incurred in the administration of this article shall be paid from the state general fund upon appropriation being made for the expenses in the manner provided by law for the making of those appropriations. However, grants and donations under subsection (e), costs of investigations, and civil penalties recovered under this chapter shall be deposited by the treasurer of state in the dealer enforcement account established by IC 9-32-7-2. The funds in the dealer compliance account established by IC 9-32-7-1 must be available, with the approval of the budget agency, to augment and supplement the funds appropriated for the **enforcement and** administration of this article.

(g) In connection with the administration and enforcement of this article, the attorney general shall render all necessary assistance to the director upon the request of the director. To that end, the attorney general shall employ legal and other professional services as are

necessary to adequately and fully perform the service under the direction of the director as the demands of the division require. Expenses incurred by the attorney general for the purposes stated under this subsection are chargeable against and shall be paid out of funds appropriated to the attorney general for the administration of the attorney general's office. The attorney general may authorize the director and the director's designee to represent the director and the division in any proceeding involving enforcement or defense of this article.

(h) The secretary, director, and employees of the division are not liable in an individual capacity, except to the state, for an act done or omitted in connection with the performance of their duties under this article.

(i) The director and each attorney or investigator designated by the secretary:

(1) are police officers of the state;

(2) have all the powers and duties of police officers in conducting investigations for violations of this article, or in serving any process, notice, or order issued by an officer, authority, or court in connection with the enforcement of this article; and

(3) comprise the enforcement department of the division.

The division is a criminal justice agency for purposes of ~~IC 5-2-4-1(3)~~ **IC 5-2-4** and ~~IC 10-13-3-6.~~ **IC 10-13-3.**

(j) The provisions of this article delegating and granting power to the secretary, division, and director shall be liberally construed to the end that:

(1) the practice or commission of fraud may be prohibited and prevented; and

(2) disclosure of sufficient and reliable information in order to afford reasonable opportunity for the exercise of independent judgment of the persons involved may be assured.

(k) Copies of any statements and documents filed in the office of the secretary and of any records of the secretary certified by the director are admissible in any prosecution, action, suit, or proceeding based on, arising out of, or under this article to the same effect as the original of the statement, document, or record would be if actually produced.

SECTION 110. IC 9-32-16-2, AS AMENDED BY P.L.151-2015, SECTION 76, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. (a) An order issued under this article may deny a dealer license application for registration if the secretary finds that the order is in the public interest and subsection (c) authorizes the action. An order may condition or limit the license of an applicant to

be a dealer and, if the applicant for a dealer license is a partner, officer, director, or person having similar status or performing similar functions, or a person directly or indirectly in control of the dealership, the order may condition or limit the license.

(b) If the secretary finds that an order is in the public interest and subsection (c) authorizes the action, an order issued under this article may deny, revoke, suspend, condition, limit, or permanently bar the granting of a license **or issuing of a license plate** to or an application for a license **or license plate** from a dealer, or a partner, an officer, a director, or a person having a similar status or performing similar functions as a dealer, or a person directly or indirectly in control of the dealer. However, the secretary may not:

(1) institute a revocation or suspension proceeding under this subsection based on an order issued under the law of another state that is reported to the secretary or a designee of the secretary more than one (1) year after the date of the order on which it is based; or

(2) issue an order on the basis of an order issued under the dealer services laws of another state unless the other order was based on conduct for which subsection (c) would authorize the action had the conduct occurred in Indiana.

(c) A person may be disciplined under this section if the person:

(1) has filed an application for a dealer license in Indiana under this article, or its predecessor, within the previous ten (10) years, which, as of the effective date of license or registration or as of any date after filing in the case of an order denying effectiveness, was incomplete as to a material fact or contained a statement that, in light of the circumstances under which it was made, was false or misleading with respect to a material fact;

(2) knowingly violated or knowingly failed to comply with this article, or its predecessor, within the previous ten (10) years;

(3) has been convicted of a:

(A) felony within the previous ten (10) years;

(B) felony or misdemeanor involving theft or fraud; or

(C) felony or misdemeanor concerning an aspect of business involving the offer, sale, financing, repair, modification, or manufacture of a **motor** vehicle;

(4) is enjoined or restrained by a court with jurisdiction in an action instituted by a state or the United States from engaging in or continuing an act, practice, or course of business involving an aspect of a business involving the offer, barter, sale, purchase, transfer, financing, repair, or manufacture of a **motor** vehicle;

(5) refuses to allow or otherwise impedes the secretary from conducting an audit or inspection;

(6) has engaged in dishonest or unethical practices in a business involving the offer, barter, sale, purchase, transfer, financing, repair, or manufacture of a **motor** vehicle within the previous ten (10) years;

(7) is engaging in unfair practices as set forth in this article;

(8) is on the most recent tax warrant list supplied to the secretary by the department of state revenue;

(9) violates IC 23-2-2.7;

(10) violates IC 9-19-9;

(11) willfully violates federal or state law relating to the sale, distribution, financing, or insuring of motor vehicles; ~~or~~

(12) is not compliant with local, state, or federal laws and regulations regarding a dealer license or dealer business;

(13) violates IC 9-22-3-19;

(14) violates IC 9-22-3-20; or

(15) violates IC 9-22-5-18.2.

(d) The secretary may revoke, suspend, or deny an application, impose fines and costs, restrict, condition, limit, bar, **or** suspend ~~or rescind~~ a dealer license **or license plate issued under this article,** or order restitution, or do any combination of these actions before final determination of an administrative proceeding. Upon the issuance of an order, the secretary shall promptly notify each person subject to the order:

(1) that the order has been issued;

(2) the reasons for the action; and

(3) that ~~within fifteen (15) days after the~~ **upon** receipt of a request in a record from the person, the matter will be scheduled for a hearing **within fifteen (15) days.**

If a hearing is not requested and no hearing is ordered by the secretary within thirty (30) days after the date of service of the order, the order becomes final by operation of law. If a hearing is requested or ordered, the secretary, after notice of and opportunity for hearing to each person subject to the order, may modify or vacate the order or extend the order until final determination.

(e) After a hearing, the secretary may suspend or deny an application, impose fines and costs, restrict, condition, limit, bar, suspend, or ~~rescind~~ **revoke** a dealer license, or order restitution, or do any combination of these actions.

(f) Revocation or suspension of a license of ~~a manufacturer, a distributor,~~ a dealer ~~or an automobile auctioneer~~ may be limited to one

(1) or more locations, to one (1) or more defined areas, or only to certain aspects of the business.

(g) Except as provided in subsection (d), an order may not be issued under this section without:

(1) appropriate notice to the applicant or registrant;

(2) an opportunity for a hearing; and

(3) reasons for the action.

(h) A person that controls, directly or indirectly, a person not in compliance with this section may be disciplined by order of the secretary under subsections (a) and (b) to the same extent as the noncomplying person, unless the controlling person did not know, and in the exercise of reasonable care could not have known, of the existence of conduct that is a ground for discipline under this section.

(i) A person subject to this chapter that has not been issued a license is subject to the same disciplinary fines, costs, and penalties as if a license had been issued.

SECTION 111. IC 9-32-16-3, AS AMENDED BY P.L.2-2014, SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 3. Information or documents obtained by the division in the course of an investigation, including an audit conducted under section 6(c) of this chapter, are **investigatory records of** law enforcement ~~records~~ for the purposes of IC 5-14-3-4(b)(1). **The secretary may except these records from disclosure under IC 5-14-3-3.**

SECTION 112. IC 9-32-16-5, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. All dealers licensed with the division shall, upon request, provide members of the staff of the division prompt access, during reasonable business hours, to that part of the premises at the dealer's place of business where:

(1) documents are stored; or

(2) **motor** vehicle sales are offered, made, or processed.

SECTION 113. IC 9-32-16-8, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 8. (a) A person shall cooperate in an inquiry, investigation, or inspection conducted by, or on behalf of, the division for purposes of determining whether or not a person has violated or is about to violate any provision under this article. The willful failure of a person to cooperate, absent a bona fide claim of privilege, may:

(1) be considered by the division a violation of statute; and

(2) thus subject the person to denial, suspension, or revocation of licensing ~~or registration~~ or a bar from licensing. ~~or registration.~~

(b) The following are examples of, but are not the only, conduct by a person that may be considered a failure to cooperate:

(1) The failure to timely respond by way of appearance or production of documents to a subpoena or order issued by the division.

(2) The failure to answer any question pertinent to inquiry unless the response to the question is subject to a bona fide claim of privilege.

(3) The failure to grant division personnel access to:

(A) the business premises of a dealer or a person required to be licensed as a dealer; or

(B) the records and documents that the dealer or person required to be licensed as a dealer is required, by statute or rule, to make available for inspection.

(4) The failure to attend a scheduled proceeding at which the appearance of the person is required. If a person elects to retain counsel for the purpose of representation in any such proceeding, it is the responsibility of the person to do so in a timely fashion. The failure of a person to retain counsel, absent a showing of good cause, does not require an adjournment of the proceeding.

(5) The failure to timely respond to or to provide information requested under a demand under this chapter.

(6) Aiding or abetting the failure of another person to cooperate.

SECTION 114. IC 9-32-16-11, AS AMENDED BY P.L.62-2014, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 11. (a) All dealers operating as a:

(1) corporation;

(2) limited liability company;

(3) limited partnership; or

(4) limited liability partnership;

shall file and maintain all filings required to remain in good standing with the secretary of state business services division.

(b) ~~The~~ **A** dealer **that applies for a license under this article** shall provide the secretary:

(1) the federal tax identification number; and

(2) the registered retail merchant's certificate number issued under IC 6-2.5-8;

issued to the dealer.

(c) The dealer must, for the entire licensing period, have an established place of business with a physical Indiana address. The dealer may not have a mailing address that differs from the actual location of the business.

(d) ~~The applicant and all corporate officers, partners, and owners~~ **Before the secretary may issue a license to a dealer, the following** must submit to a national criminal history background check (as defined in IC 10-13-3-12) administered by the state police:

(1) All corporate officers of the dealer that will be named on the license.

(2) All partners of the dealer.

(3) All owners of the dealer.

(e) A national criminal history background check conducted under subsection (d):

(1) is at the expense of the ~~applicant~~ **dealer** and the **dealer's** corporate officers, partners, and owners; **and**

(2) may be completed not more than sixty (60) days before the dealer applies for a license under this article.

(f) The secretary may deny an application **for a license** if the division finds that ~~the applicant,~~ a corporate officer, a partner, or an owner **of a dealer** has been convicted of a:

(1) felony within the previous ten (10) years;

(2) felony or misdemeanor involving theft or fraud; or

(3) felony or misdemeanor concerning an aspect of business involving the offer, sale, financing, repair, modification, or manufacture of a **motor** vehicle.

~~(e)~~ **(g)** The dealer and the corporation, company, or partnership must be in good standing with the bureau, the department of state revenue, and the state police department **during the entire period for which a license is valid.**

SECTION 115. IC 9-32-16-16 IS ADDED TO THE INDIANA CODE AS A **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 16. A dealer may not alter or reproduce a license issued to the dealer by the secretary under this article or by the bureau of motor vehicles under IC 9-23 (before its repeal).**

SECTION 116. IC 35-52-9-8.5 IS REPEALED [EFFECTIVE JULY 1, 2016]. ~~Sec. 8.5. IC 9-18-27-2 defines a crime concerning motor vehicle registration and license plates.~~

SECTION 117. IC 35-52-9-8.8 IS REPEALED [EFFECTIVE JULY 1, 2016]. ~~Sec. 8.8. IC 9-18-27-5 defines a crime concerning motor vehicle registration and license plates.~~

SECTION 118. IC 35-52-9-55.7, IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 55.7. IC 9-32-3-12 defines a crime concerning records of the dealer services division of the office of**

the secretary of state.

SECTION 119. IC 35-52-9-58, IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 58. IC 9-32-6.5-4 defines a crime concerning license plates.**

COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred House Bill 1365, 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 10, line 9, delete "assembly" and insert "**assembled**".

Page 22, line 36, delete "deposited in the" and insert "**distributed as follows:**

(1) Thirty percent (30%) to the dealer compliance account.

(2) Seventy percent (70%) to the motor vehicle highway account.".

Page 22, delete line 37.

and when so amended that said bill do pass.

(Reference is to HB 1365 as introduced.)

SOLIDAY

Committee Vote: yeas 13, nays 0.