

HOUSE BILL No. 1201

DIGEST OF INTRODUCED BILL

Citations Affected: IC 9-32-11-20.

Synopsis: Vehicle right of use subscription programs. Provides that a manufacturer or distributor may not offer, directly or indirectly, a vehicle right of use subscription program to the general public in Indiana or otherwise engage in a vehicle right of use subscription program in the state. Provides that a manufacturer or distributor may only offer a vehicle right of use subscription program to the general public if done through, or in partnership with, a franchised motor vehicle dealer licensed under this article that is of the same line make affiliated with the manufacturer or distributor.

Effective: April 1, 2020.

Morris, Soliday

January 15, 2020, read first time and referred to Committee on Roads and Transportation.



Second Regular Session of the 121st General Assembly (2020)

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 2019 Regular Session of the General Assembly.

HOUSE BILL No. 1201

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

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

- 1 SECTION 1. IC 9-32-11-20, AS AMENDED BY P.L.245-2019,
2 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 APRIL 1, 2020]: Sec. 20. (a) This section does not apply to:
4 (1) a manufacturer of a trailer or semitrailer; or
5 (2) a manufacturer that produces fewer than one thousand (1,000)
6 units per year.
7 (b) Except as provided in subsection (c), a manufacturer or
8 distributor may not engage in sales directly **or indirectly** to the general
9 public in Indiana **by contract, solicitation of sale, or any other offer**
10 **or attempt to contract or sell regardless of form.**
11 (c) A manufacturer or distributor may engage in sales directly to the
12 general public in Indiana only if:
13 (1) the manufacturer or distributor was granted an initial license
14 to sell new motor vehicles before July 1, 2015; and
15 (2) the manufacturer or distributor establishes at least one (1)
16 physical location in Indiana that is a warranty repair service
17 center before January 1, 2018.



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

6 (e) For purposes of this subsection **and subsection (f), "vehicle**
 7 **right of use subscription program"** means a ~~subscription~~ service that,
 8 for a recurring fee and for a limited period of time, allows a
 9 participating person exclusive use of a motor vehicle owned by an
 10 entity that controls or contracts with the ~~subscription service~~. **program**
 11 **participating person or entity ("subscription service").** The term
 12 does not include leases, short term motor vehicle rentals, or services
 13 that allow short term sharing of a motor vehicle. ~~Subscription programs~~
 14 ~~are prohibited in Indiana. This subsection expires on May 1, 2020.~~
 15 **Except as provided in subsection (f), a manufacturer or distributor**
 16 **may not offer, directly or indirectly, a vehicle right of use**
 17 **subscription program to the general public in Indiana or otherwise**
 18 **engage in a vehicle right of use subscription program in the state.**

19 (f) A manufacturer or distributor may only offer a vehicle right
 20 of use subscription program to the general public if done through,
 21 or in partnership with, a franchised motor vehicle dealer licensed
 22 under this article that is of the same line make affiliated with the
 23 manufacturer or distributor.

24 SECTION 2. An emergency is declared for this act.

