

SENATE BILL No. 324

DIGEST OF INTRODUCED BILL

Citations Affected: IC 9-23-3-22.

Synopsis: Unfair practices regarding motor vehicle dealers. Prohibits manufacturers, distributors, and agents from certain unfair practices regarding new motor vehicle dealers or franchisees.

Effective: July 1, 1999.

Meeks R

January 8, 1999, read first time and referred to Committee on Commerce and Consumer Affairs.

C
o
p
y



First Regular Session 111th General Assembly (1999)

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 1998 General Assembly.

C
O
P
Y

SENATE BILL No. 324



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 9-23-3-22 IS ADDED TO THE INDIANA CODE
- 2 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY
- 3 1, 1999]: **Sec. 22. It is an unfair practice for a manufacturer,**
- 4 **distributor, officer, or agent to:**
- 5 (1) **require, coerce, or attempt to coerce any new motor**
- 6 **vehicle dealer in the state to:**
- 7 (A) **change location of the dealership;**
- 8 (B) **establish or maintain exclusive facilities, personnel, or**
- 9 **display space;**
- 10 (C) **make any substantial alterations to the use or number**
- 11 **of franchises (as defined in IC 23-2-2.5-1(a)); or**
- 12 (D) **make any substantial alterations to the dealership**
- 13 **premises or facilities;**
- 14 **if to do so would be unreasonable or would not be justified by**
- 15 **current economic conditions or reasonable business**
- 16 **considerations; or**
- 17 (2) **require, coerce, or attempt to coerce any new motor**



1 **vehicle dealer or franchisee (as defined in IC 23-2-2.5-1(b)) to**
2 **refrain from:**
3 **(A) participation in the management of;**
4 **(B) investment in; or**
5 **(C) the acquisition of;**
6 **any other line of new motor vehicle or related products, as**
7 **long as the franchisee maintains a reasonable line of credit for**
8 **each make or line of new motor vehicle, and the franchisee**
9 **remains in compliance with any reasonable capital standards**
10 **and facilities requirements of the manufacturer.**
11 **The burden to prove that current economic conditions or**
12 **reasonable business considerations would justify exclusive facilities**
13 **is on the manufacturer, distributor, officer, or agent.**
14

C
o
p
y

