



Reprinted
January 26, 2010

HOUSE BILL No. 1188

DIGEST OF HB 1188 (Updated January 25, 2010 8:20 pm - DI 96)

Citations Affected: IC 9-13; IC 9-17; IC 9-18; IC 9-22; IC 9-23; IC 9-29; IC 9-31; noncode.

Synopsis: Various vehicle matters. Requires the secretary of state to adopt rules to establish research and development license plates for use by manufacturers of vehicle subcomponent systems. Sets a \$20 fee for a research and development license plate. Requires the secretary of state to adopt interim written guidelines regarding the classification of research and development license plates. Revises language concerning the responsibility of the secretary of state related to vehicle dealer services.

Effective: Upon passage; July 1, 2010.

Austin, Neese, Fry

January 11, 2010, read first time and referred to Committee on Roads and Transportation.
January 21, 2010, amended, reported — Do Pass.
January 25, 2010, read second time, amended, ordered engrossed.

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HB 1188—LS 6869/DI 96+



Second Regular Session 116th General Assembly (2010)

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 2009 Regular and Special Sessions of the General Assembly.

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HOUSE BILL No. 1188

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 9-13-2-42, AS AMENDED BY P.L.147-2009,
2 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2010]: Sec. 42. (a) "Dealer" means, except as otherwise
4 provided in this section, a person who sells to the general public,
5 including a person who sells directly by the Internet or other computer
6 network, at least twelve (12) vehicles each year for delivery in Indiana.
7 The term includes a person who sells off-road vehicles. A dealer must
8 have an established place of business that meets the minimum
9 standards prescribed by the ~~bureau~~ **secretary of state** under rules
10 adopted under IC 4-22-2.
- 11 (b) The term does not include the following:
- 12 (1) A receiver, trustee, or other person appointed by or acting
13 under the judgment or order of a court.
- 14 (2) A public officer while performing official duties.
- 15 (3) A person who is a dealer solely because of activities as a
16 transfer dealer.
- 17 (4) An automotive mobility dealer.



1 (c) "Dealer", for purposes of IC 9-31, means a person that sells to
2 the general public for delivery in Indiana at least six (6):

3 (1) boats; or

4 (2) trailers:

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

7 (B) sold in general association with the sale of watercraft;
8 per year.

9 SECTION 2. IC 9-13-2-97.5 IS ADDED TO THE INDIANA CODE
10 AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE
11 UPON PASSAGE]: **Sec. 97.5. "Manufacturer of a vehicle**
12 **subcomponent system" means a manufacturer of a vehicle**
13 **subcomponent system essential to the operation of a motor vehicle.**
14 **The term includes a public or private university that is engaged in**
15 **the:**

16 (1) **research;**

17 (2) **development; or**

18 (3) **manufacture;**

19 **of a vehicle subcomponent system.**

20 SECTION 3. IC 9-17-8-8, AS AMENDED BY P.L.147-2009,
21 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
22 JULY 1, 2010]: Sec. 8. (a) Before obtaining a manufacturer's, a
23 converter manufacturer's, an automotive mobility dealer's, or a dealer's
24 license from the ~~bureau~~, **secretary of state**, a person must agree to
25 allow a police officer or an authorized representative of the ~~bureau~~
26 **secretary of state** to inspect:

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

31 (2) motor vehicles, semitrailers, or recreational vehicles that are
32 held for resale by the manufacturer, converter manufacturer,
33 automotive mobility dealer, or dealer;

34 in the manufacturer's, converter manufacturer's, automotive mobility
35 dealer's, or dealer's place of business during reasonable business hours.

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

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

40 (2) may not be removed from Indiana.

41 SECTION 4. IC 9-18-26-2.5 IS ADDED TO THE INDIANA CODE
42 AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE

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- 1 UPON PASSAGE]: **Sec. 2.5. (a) The secretary of state shall:**
- 2 **(1) issue a research and development license plate under this**
- 3 **chapter to a manufacturer of a vehicle subcomponent system;**
- 4 **and**
- 5 **(2) adopt rules under IC 4-22-2 to prescribe the general**
- 6 **conditions for the:**
- 7 **(A) application;**
- 8 **(B) issuance; and**
- 9 **(C) use;**
- 10 **of research and development license plates for manufacturers**
- 11 **of vehicle component systems.**
- 12 **(b) The fee for a research and development license plate for a**
- 13 **manufacturer of a vehicle subcomponent system is the fee under**
- 14 **IC 9-29-5-14.5.**
- 15 **(c) A research and development license plate for a manufacturer**
- 16 **of a vehicle subcomponent system shall be displayed in accordance**
- 17 **with IC 9-18-2-26.**

18 SECTION 5. IC 9-18-26-8 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 8. Dealer-new,
 20 dealer-used, and manufacturer license plates may be used without
 21 restriction by a designee of a dealer or a designee of a manufacturer
 22 under rules adopted by the ~~bureau~~ **secretary of state**. The rules must
 23 provide the following:

- 24 (1) The dealer or manufacturer is to be assessed and pay the
- 25 motor vehicle excise tax under IC 6-6-5 attributable to that part of
- 26 the total year that the designee operates the motor vehicle.
- 27 (2) The dealer or manufacturer shall report to the ~~bureau~~
- 28 **secretary of state** the date of assignment to a designee, the
- 29 designee's name and address, and the date of termination of the
- 30 assignment within ten (10) days of the assignment or termination.
- 31 (3) The tax calculated in subdivision (1) shall be paid within
- 32 thirty (30) days of the termination of the assignment to the
- 33 designee or at the time the dealer or manufacturer purchases
- 34 license plates under this chapter.

35 SECTION 6. IC 9-18-26-12, AS AMENDED BY P.L.106-2008,
 36 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 UPON PASSAGE]: Sec. 12. A person who knowingly violates a rule
 38 adopted by the secretary of state regarding the classification and use of
 39 a dealer plate **or the use of a research and development license plate**
 40 commits a Class A infraction.

41 SECTION 7. IC 9-22-3-7 IS AMENDED TO READ AS FOLLOWS
 42 [EFFECTIVE JULY 1, 2010]: Sec. 7. A business that is registered with

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1 the ~~department~~ **secretary of state** as a dealer under IC 9-23 may
 2 reassign a certificate of salvage title one (1) time without applying to
 3 the bureau for the issuance of a new certificate of salvage title.
 4 SECTION 8. IC 9-22-3-20 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 20. Unless otherwise
 6 specified or required, the records required under section 19 of this
 7 chapter shall be retained for a period of five (5) years from the date the
 8 vehicle or major component part was acquired, in the form prescribed
 9 by the ~~bureau~~ **secretary of state**.
 10 SECTION 9. IC 9-22-3-21 IS AMENDED TO READ AS
 11 FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 21. The records
 12 required under section 19 of this chapter must be available to and
 13 produced at the request of a police officer or an authorized agent of the
 14 ~~bureau~~ **secretary of state** under this chapter.
 15 SECTION 10. IC 9-22-3-24 IS AMENDED TO READ AS
 16 FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 24. The ~~bureau~~;
 17 **secretary of state**, a police officer, or an agent of the ~~bureau~~ **secretary**
 18 **of state** or a police officer may enter upon the premises of a disposal
 19 facility, insurance company, or other business dealing in salvage
 20 vehicles during normal business hours to inspect a motor vehicle,
 21 semitrailer, recreational vehicle, major component part, records,
 22 certificate of title, and other ownership documents to determine
 23 compliance with this chapter.
 24 SECTION 11. IC 9-23-2-11, AS AMENDED BY P.L.184-2007,
 25 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2010]: Sec. 11. A person who ceases a business activity for
 27 which a license was issued under this chapter shall do the following:
 28 (1) Notify the secretary of state of the date that the business
 29 activity will cease.
 30 (2) Deliver all permanent dealer license plates and interim license
 31 plates issued to the person to the ~~bureau~~ **secretary of state** within
 32 ten (10) days of the date the business activity will cease.
 33 SECTION 12. IC 9-29-5-14.5 IS ADDED TO THE INDIANA
 34 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 35 [EFFECTIVE UPON PASSAGE]: **Sec. 14.5. The fee for a research**
 36 **and development license plate for a manufacturer of a vehicle**
 37 **subcomponent system under IC 9-18-26-2.5(a) is twenty dollars**
 38 **(\$20). There is no fee in addition to the regular registration fee for**
 39 **a research and development license plate for a manufacturer of a**
 40 **vehicle subcomponent system.**
 41 SECTION 13. IC 9-31-3-6, AS AMENDED BY P.L.106-2008,
 42 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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1 JULY 1, 2010]: Sec. 6. (a) The secretary of state shall furnish
2 temporary permits and registration forms to a registered dealer upon
3 request.

4 (b) A plate or card described in subsection (a) must display the
5 following information:

- 6 (1) The dealer's license number.
- 7 (2) The date of purchase, plainly stamped or stenciled on the plate
8 or card.

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

11 (d) A dealer who authorizes the use of a temporary permit under this
12 section does not assume responsibility or incur liability for injury to a
13 person or property during the period the temporary permit is in effect.

14 SECTION 14. [EFFECTIVE UPON PASSAGE] (a)
15 **Notwithstanding IC 9-18-26-2.5(a)(2), as added by this act, and**
16 **IC 9-13-2-42(a) and IC 9-18-26-8, both as amended by this act, the**
17 **secretary of state shall carry out the duties imposed upon the**
18 **secretary of state under IC 9-18-26-2.5(a)(2), as added by this act,**
19 **and IC 9-13-2-42(a) and IC 9-18-26-8, both as amended by this act,**
20 **under interim written guidelines approved by the secretary of**
21 **state.**

22 (b) **This SECTION expires on the earlier of the following:**

- 23 (1) **The date rules are adopted under IC 9-18-26-2.5(a)(2), as**
24 **added by this act, and IC 9-13-2-42(a) and IC 9-18-26-8, both**
25 **as amended by this act.**
- 26 (2) **December 31, 2011.**

27 SECTION 15. **An emergency is declared for this act.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred House Bill 1188, 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 1, delete lines 1 through 17.

Delete page 2.

Page 3, delete lines 1 through 5, begin a new paragraph and insert:

"SECTION 1. IC 9-13-2-97.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **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 2. IC 9-18-26-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 2.5. (a) The secretary of state 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 9-29-5-14.5.

(c) A research and development license plate for a manufacturer of a vehicle subcomponent system shall be displayed in accordance with IC 9-18-2-26.

SECTION 3. IC 9-18-26-12, AS AMENDED BY P.L.106-2008, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 12. A person who knowingly violates a rule adopted by the secretary of state regarding the classification and use of**

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a dealer plate **or the use of a research and development license plate** commits a Class A infraction."

Page 3, line 8, delete "dealer" and insert "**research and development**".

Page 3, line 9, after "of" insert "**a**".

Page 3, line 9, delete "systems" and insert "**system**".

Page 3, line 10, delete "IC 9-18-26-2(b)" and insert "**IC 9-18-26-2.5(a)**".

Page 3, line 10, delete "ten" and insert "**twenty**".

Page 3, line 10, delete "(\$10)" and insert "**(\$20)**".

Page 3, line 11, before "license" insert "**research and development**".

Page 3, line 12, after "of" insert "**a**".

Page 3, line 12, delete "systems." and insert "**system.**".

Page 3, delete lines 13 through 23, begin a new paragraph and insert:

"SECTION 5. [EFFECTIVE UPON PASSAGE] **(a) Notwithstanding IC 9-18-26-2.5(a)(2), as added by this act, the secretary of state shall carry out the duties imposed upon the secretary of state under IC 9-18-26-2.5(a)(2), as added by this act, under interim written guidelines approved by the secretary of state.**

(b) This SECTION expires on the earlier of the following:

(1) The date rules are adopted under IC 9-18-26-2.5(a)(2), as added by this act.

(2) December 31, 2011."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1188 as introduced.)

AUSTIN, Chair

Committee Vote: yeas 11, nays 0.

HOUSE MOTION

Mr. Speaker: I move that House Bill 1188 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 9-13-2-42, AS AMENDED BY P.L.147-2009,

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SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 42. (a) "Dealer" means, except as otherwise provided in this section, a person who sells to the general public, including a person who sells directly by the Internet or other computer network, at least twelve (12) vehicles each year for delivery in Indiana. The term includes a person who sells off-road vehicles. A dealer must have an established place of business that meets the minimum standards prescribed by the ~~bureau~~ **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) A person who is a dealer solely because of activities as a transfer dealer.
- (4) An automotive mobility dealer.

(c) "Dealer", for purposes of IC 9-31, means a person that sells to the general public for delivery in Indiana at least six (6):

- (1) boats; 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."

Page 1, between lines 11 and 12, begin a new paragraph and insert:

"SECTION 3. IC 9-17-8-8, AS AMENDED BY P.L.147-2009, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 8. (a) Before obtaining a manufacturer's, a converter manufacturer's, an automotive mobility dealer's, or a dealer's license from the ~~bureau~~; **secretary of state**, a person must agree to allow a police officer or an authorized representative of the ~~bureau~~ **secretary of state** 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 of state; and
- (2) motor vehicles, semitrailers, or recreational vehicles that are held for resale by the manufacturer, converter manufacturer, automotive mobility dealer, or dealer;

in the manufacturer's, converter manufacturer's, automotive mobility dealer's, or dealer's place of business during reasonable business hours.

(b) A certificate of title, a certificate of origin, and any other proof

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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."

Page 2, between lines 13 and 14, begin a new paragraph and insert:
 "SECTION 5. IC 9-18-26-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 8. Dealer-new, dealer-used, and manufacturer license plates may be used without restriction by a designee of a dealer or a designee of a manufacturer under rules adopted by the ~~bureau~~ **secretary of state**. The rules must provide the following:

- (1) The dealer or manufacturer is to 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 operates the motor vehicle.
- (2) The dealer or manufacturer shall report to the ~~bureau~~ **secretary of state** the date of assignment to a designee, the designee's name and address, and the date of termination of the assignment within ten (10) days of the assignment or termination.
- (3) The tax calculated in subdivision (1) shall be paid within thirty (30) days of the termination of the assignment to the designee or at the time the dealer or manufacturer purchases license plates under this chapter."

Page 2, between lines 19 and 20, begin a new paragraph and insert:
 "SECTION 7. IC 9-22-3-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 7. A business that is registered with the ~~department~~ **secretary of state** as a dealer under IC 9-23 may reassign a certificate of salvage title one (1) time without applying to the bureau for the issuance of a new certificate of salvage title.

SECTION 8. IC 9-22-3-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 20. Unless otherwise specified or required, the records required under section 19 of this chapter shall be retained for a period of five (5) years from the date the vehicle or major component part was acquired, in the form prescribed by the ~~bureau~~ **secretary of state**.

SECTION 9. IC 9-22-3-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 21. The records required under section 19 of this chapter must be available to and produced at the request of a police officer or an authorized agent of the ~~bureau~~ **secretary of state** under this chapter.

SECTION 10. IC 9-22-3-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 24. The ~~bureau~~;

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secretary of state, a police officer, or an agent of the ~~bureau~~ **secretary of state** or a police officer may enter upon the premises of a disposal facility, insurance company, or other business dealing in salvage vehicles during normal business hours to inspect a motor vehicle, semitrailer, recreational vehicle, major component part, records, certificate of title, and other ownership documents to determine compliance with this chapter.

SECTION 11. IC 9-23-2-11, AS AMENDED BY P.L.184-2007, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 11. A person who ceases a business activity for which a license was issued under this chapter shall do the following:

- (1) Notify the secretary of state of the date that the business activity will cease.
- (2) Deliver all permanent dealer license plates and interim license plates issued to the person to the ~~bureau~~ **secretary of state** within ten (10) days of the date the business activity will cease."

Page 2, between lines 27 and 28, begin a new paragraph and insert: "SECTION 13. IC 9-31-3-6, AS AMENDED BY P.L.106-2008, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 6. (a) The secretary of state shall furnish temporary permits and registration forms to a registered dealer upon request.

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

- (1) The dealer's license number.
- (2) The date of purchase, plainly stamped or stenciled on the plate or card.

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

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

Page 2, line 29, after "act," insert "**and IC 9-13-2-42(a) and IC 9-18-26-8, both as amended by this act,**".

Page 2, line 31, after "act," insert "**and IC 9-13-2-42(a) and IC 9-18-26-8, both as amended by this act,**".

Page 2, line 36, delete "act." and insert "**act, and IC 9-13-2-42(a) and IC 9-18-26-8, both as amended by this act.**".

Re-number all SECTIONS consecutively.

(Reference is to HB 1188 as printed January 22, 2010.)

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