

# AN ACT

To amend sections 1345.52, 4503.312, 4517.01, 4517.03, and 4517.22 and to enact section 4517.221 of the Revised Code to alter the statutory procedures governing motor vehicle shows, to permit the display of new motor vehicles for charitable purposes, and to clarify the law governing the retail sale of utility and certain other trailers.

*Be it enacted by the General Assembly of the State of Ohio:*

SECTION 1. That sections 1345.52, 4503.312, 4517.01, 4517.03, and 4517.22 be amended and section 4517.221 of the Revised Code be enacted to read as follows:

Sec. 1345.52. There is hereby created in the state treasury the title defect recision fund. The fund shall consist of money collected under section 4505.09 of the Revised Code when a motor vehicle dealer is issued a certificate of title, money collected under section 4517.10 of the Revised Code when the registrar of motor vehicles grants the initial application of a person for a license as a motor vehicle dealer or motor vehicle leasing dealer, money collected under division (L) of section 4517.22 of the Revised Code, money paid to the attorney general by motor vehicle dealers under division (A)(2) of section 4505.181 of the Revised Code for deposit into the fund, the proceeds of all sales conducted and collections obtained by the attorney general under division (E) of that section, and any recoveries to the fund obtained by the attorney general in actions filed under section 1345.07 of the Revised Code for violations of section 4505.181 of the Revised Code.

Money in the fund shall be used solely for maintaining and administering the fund, providing restitution or other remedies pursuant to division (E)(1) or (F) of section 4505.181 of the Revised Code to retail purchasers of motor vehicles who suffer damages due to failure of a motor vehicle dealer or person acting on behalf of such a dealer to comply with that section, and pursuit of deficiencies in the fund caused by the failure of motor vehicle dealers to comply with divisions (A), (B), and (G) of that

section. The attorney general may adopt rules governing the maintenance and administration of the fund.

Sec. 4503.312. As used in this section:

(A) "Utility trailer" means any trailer, except a travel trailer or trailer for transporting watercraft, having a gross weight of less than four thousand pounds.

(B) "Snowmobile" and "all-purpose vehicle" have the same ~~meaning~~ meanings as in section 4519.01 of the Revised Code.

(C) "Distributor" means any person authorized by a manufacturer of utility trailers or trailers for transporting motorcycles, snowmobiles, or all-purpose vehicles to distribute new trailers to persons for purposes of resale.

A manufacturer ~~or~~ distributor, or retail seller of utility trailers or trailers for transporting motorcycles, snowmobiles, or all-purpose vehicles may apply for registration with the registrar of motor vehicles for each place in this state where the manufacturer ~~or~~ distributor, or retail seller carries on the business of manufacturing ~~or~~ distributing, or selling at retail such trailers. Applications for annual registration shall be made at the time provided for payment of the tax imposed by section 4503.09 of the Revised Code; shall be in the manner to be prescribed by the registrar; and shall be accompanied by an affidavit certifying that the applicant is a manufacturer ~~or~~ distributor, or retail seller of utility trailers or trailers for transporting motorcycles, snowmobiles, or all-purpose vehicles. The fee for such registration shall be twenty-five dollars and shall not be reduced when the registration is for a part of a year.

Upon the filing of the application and affidavit, and payment of the fee and appropriate postage as required by the registrar, the registrar shall assign to the applicant a distinctive number which shall be displayed on the rear of each trailer when it is operated on the public highway. Any trailer for transporting motorcycles, snowmobiles, or all-purpose vehicles that is not loaded may be operated on the public highway until it is sold or transferred; and any utility trailer that is not loaded, or that is being used to transport another utility trailer for purposes of demonstration or delivery, may be operated on the public highway until it is sold or transferred.

At the time the registrar assigns the distinctive number, the registrar shall furnish one placard with the number thereon. The manufacturer ~~or~~ distributor, or retail seller may procure a reasonable number of certified copies of the registration certificate upon the payment of a fee of five dollars and postage. With each of such certified copies, the registrar shall furnish one placard with the same number provided in the original registration

certificate, and shall add thereto such special designation as necessary to distinguish one set of placards from another. All placards furnished by the registrar pursuant to this section shall be so marked as to be distinguishable from placards issued to dealers in or manufacturers of motor vehicles or trailers for transporting watercraft.

The fees collected by the registrar pursuant to this section shall be paid into the state bureau of motor vehicles fund established by section 4501.25 of the Revised Code and used for the purposes described in that section.

Sec. 4517.01. As used in sections 4517.01 to 4517.65 of the Revised Code:

(A) "Persons" includes individuals, firms, partnerships, associations, joint stock companies, corporations, and any combinations of individuals.

(B) "Motor vehicle" means motor vehicle as defined in section 4501.01 of the Revised Code and also includes "all-purpose vehicle" and "off-highway motorcycle" as those terms are defined in section 4519.01 of the Revised Code. "Motor vehicle" does not include a snowmobile as defined in section 4519.01 of the Revised Code or manufactured and mobile homes.

(C) "New motor vehicle" means a motor vehicle, the legal title to which has never been transferred by a manufacturer, remanufacturer, distributor, or dealer to an ultimate purchaser.

(D) "Ultimate purchaser" means, with respect to any new motor vehicle, the first person, other than a dealer purchasing in the capacity of a dealer, who in good faith purchases such new motor vehicle for purposes other than resale.

(E) "Business" includes any activities engaged in by any person for the object of gain, benefit, or advantage either direct or indirect.

(F) "Engaging in business" means commencing, conducting, or continuing in business, or liquidating a business when the liquidator thereof holds self out to be conducting such business; making a casual sale or otherwise making transfers in the ordinary course of business when the transfers are made in connection with the disposition of all or substantially all of the transferor's assets is not engaging in business.

(G) "Retail sale" or "sale at retail" means the act or attempted act of selling, bartering, exchanging, or otherwise disposing of a motor vehicle to an ultimate purchaser for use as a consumer.

(H) "Retail installment contract" includes any contract in the form of a note, chattel mortgage, conditional sales contract, lease, agreement, or other instrument payable in one or more installments over a period of time and arising out of the retail sale of a motor vehicle.

(I) "Farm machinery" means all machines and tools used in the production, harvesting, and care of farm products.

(J) "Dealer" or "motor vehicle dealer" means any new motor vehicle dealer, any motor vehicle leasing dealer, and any used motor vehicle dealer.

(K) "New motor vehicle dealer" means any person engaged in the business of selling at retail, displaying, offering for sale, or dealing in new motor vehicles pursuant to a contract or agreement entered into with the manufacturer, remanufacturer, or distributor of the motor vehicles.

(L) "Used motor vehicle dealer" means any person engaged in the business of selling, displaying, offering for sale, or dealing in used motor vehicles, at retail or wholesale, but does not mean any new motor vehicle dealer selling, displaying, offering for sale, or dealing in used motor vehicles incidentally to engaging in the business of selling, displaying, offering for sale, or dealing in new motor vehicles, any person engaged in the business of dismantling, salvaging, or rebuilding motor vehicles by means of using used parts, or any public officer performing official duties.

(M) "Motor vehicle leasing dealer" means any person engaged in the business of regularly making available, offering to make available, or arranging for another person to use a motor vehicle pursuant to a bailment, lease, sublease, or other contractual arrangement under which a charge is made for its use at a periodic rate for a term of thirty days or more, and title to the motor vehicle is in and remains in the motor vehicle leasing dealer who originally leases it, irrespective of whether or not the motor vehicle is the subject of a later sublease, and not in the user, but does not mean a manufacturer or its affiliate leasing to its employees or to dealers.

(N) "Salesperson" means any person employed by a dealer to sell, display, and offer for sale, or deal in motor vehicles for a commission, compensation, or other valuable consideration, but does not mean any public officer performing official duties.

(O) "Casual sale" means any transfer of a motor vehicle by a person other than a new motor vehicle dealer, used motor vehicle dealer, motor vehicle salvage dealer, as defined in division (A) of section 4738.01 of the Revised Code, salesperson, motor vehicle auction owner, manufacturer, or distributor acting in the capacity of a dealer, salesperson, auction owner, manufacturer, or distributor, to a person who purchases the motor vehicle for use as a consumer.

(P) ~~"Motor vehicle show" means a display of current models of motor vehicles whereby the primary purpose is the exhibition of competitive makes and models in order to provide the general public the opportunity to review and inspect various makes and models of motor vehicles at a single~~

~~location.~~

~~(Q)~~ "Motor vehicle auction owner" means any person who is engaged wholly or in part in the business of auctioning motor vehicles, but does not mean a construction equipment auctioneer or a construction equipment auction licensee.

~~(R)~~~~(Q)~~ "Manufacturer" means a person who manufactures, assembles, or imports motor vehicles, including motor homes, but does not mean a person who only assembles or installs a body, special equipment unit, finishing trim, or accessories on a motor vehicle chassis supplied by a manufacturer or distributor.

~~(S)~~~~(R)~~ "Tent-type fold-out camping trailer" means any vehicle intended to be used, when stationary, as a temporary shelter with living and sleeping facilities, and that is subject to the following properties and limitations:

(1) A minimum of twenty-five per cent of the fold-out portion of the top and sidewalls combined must be constructed of canvas, vinyl, or other fabric, and form an integral part of the shelter.

(2) When folded, the unit must not exceed:

(a) Fifteen feet in length, exclusive of bumper and tongue;

(b) Sixty inches in height from the point of contact with the ground;

(c) Eight feet in width;

(d) One ton gross weight at time of sale.

~~(T)~~~~(S)~~ "Distributor" means any person authorized by a motor vehicle manufacturer to distribute new motor vehicles to licensed new motor vehicle dealers, but does not mean a person who only assembles or installs a body, special equipment unit, finishing trim, or accessories on a motor vehicle chassis supplied by a manufacturer or distributor.

~~(U)~~~~(T)~~ "Flea market" means a market place, other than a dealer's location licensed under this chapter, where a space or location is provided for a fee or compensation to a seller to exhibit and offer for sale or trade, motor vehicles to the general public.

~~(V)~~~~(U)~~ "Franchise" means any written agreement, contract, or understanding between any motor vehicle manufacturer or remanufacturer engaged in commerce and any motor vehicle dealer that purports to fix the legal rights and liabilities of the parties to such agreement, contract, or understanding.

~~(W)~~~~(V)~~ "Franchisee" means a person who receives new motor vehicles from the franchisor under a franchise agreement and who offers, sells, and provides service for such new motor vehicles to the general public.

~~(X)~~~~(W)~~ "Franchisor" means a new motor vehicle manufacturer, remanufacturer, or distributor who supplies new motor vehicles under a

franchise agreement to a franchisee.

~~(Y)~~(X) "Dealer organization" means a state or local trade association the membership of which is comprised predominantly of new motor vehicle dealers.

~~(Z)~~(Y) "Factory representative" means a representative employed by a manufacturer, remanufacturer, or by a factory branch primarily for the purpose of promoting the sale of its motor vehicles, parts, or accessories to dealers or for supervising or contacting its dealers or prospective dealers.

~~(AA)~~(Z) "Administrative or executive management" means those individuals who are not subject to federal wage and hour laws.

~~(BB)~~(AA) "Good faith" means honesty in the conduct or transaction concerned and the observance of reasonable commercial standards of fair dealing in the trade as is defined in section 1301.201 of the Revised Code, including, but not limited to, the duty to act in a fair and equitable manner so as to guarantee freedom from coercion, intimidation, or threats of coercion or intimidation; provided however, that recommendation, endorsement, exposition, persuasion, urging, or argument shall not be considered to constitute a lack of good faith.

~~(CC)~~(BB) "Coerce" means to compel or attempt to compel by failing to act in good faith or by threat of economic harm, breach of contract, or other adverse consequences. Coerce does not mean to argue, urge, recommend, or persuade.

~~(DD)~~(CC) "Relevant market area" means any area within a radius of ten miles from the site of a potential new dealership, except that for manufactured home or recreational vehicle dealerships the radius shall be twenty-five miles. The ten-mile radius shall be measured from the dealer's established place of business that is used exclusively for the purpose of selling, displaying, offering for sale, or dealing in motor vehicles.

~~(EE)~~(DD) "Wholesale" or "at wholesale" means the act or attempted act of selling, bartering, exchanging, or otherwise disposing of a motor vehicle to a transferee for the purpose of resale and not for ultimate consumption by that transferee.

~~(FF)~~(EE) "Motor vehicle wholesaler" means any person licensed as a dealer under the laws of another state and engaged in the business of selling, displaying, or offering for sale used motor vehicles, at wholesale, but does not mean any motor vehicle dealer as defined in this section.

~~(GG)~~(FF)(1) "Remanufacturer" means a person who assembles or installs passenger seating, walls, a roof elevation, or a body extension on a conversion van with the motor vehicle chassis supplied by a manufacturer or distributor, a person who modifies a truck chassis supplied by a

manufacturer or distributor for use as a public safety or public service vehicle, a person who modifies a motor vehicle chassis supplied by a manufacturer or distributor for use as a limousine or hearse, or a person who modifies an incomplete motor vehicle cab and chassis supplied by a new motor vehicle dealer or distributor for use as a tow truck, but does not mean either of the following:

(a) A person who assembles or installs passenger seating, a roof elevation, or a body extension on a recreational vehicle as defined in division (Q) and referred to in division (B) of section 4501.01 of the Revised Code;

(b) A person who assembles or installs special equipment or accessories for handicapped persons, as defined in section 4503.44 of the Revised Code, upon a motor vehicle chassis supplied by a manufacturer or distributor.

(2) For the purposes of division ~~(GG)~~(FF)(1) of this section, "public safety vehicle or public service vehicle" means a fire truck, ambulance, school bus, street sweeper, garbage packing truck, or cement mixer, or a mobile self-contained facility vehicle.

(3) For the purposes of division ~~(GG)~~(FF)(1) of this section, "limousine" means a motor vehicle, designed only for the purpose of carrying nine or fewer passengers, that a person modifies by cutting the original chassis, lengthening the wheelbase by forty inches or more, and reinforcing the chassis in such a way that all modifications comply with all applicable federal motor vehicle safety standards. No person shall qualify as or be deemed to be a remanufacturer who produces limousines unless the person has a written agreement with the manufacturer of the chassis the person utilizes to produce the limousines to complete properly the remanufacture of the chassis into limousines.

(4) For the purposes of division ~~(GG)~~(FF)(1) of this section, "hearse" means a motor vehicle, designed only for the purpose of transporting a single casket, that is equipped with a compartment designed specifically to carry a single casket that a person modifies by cutting the original chassis, lengthening the wheelbase by ten inches or more, and reinforcing the chassis in such a way that all modifications comply with all applicable federal motor vehicle safety standards. No person shall qualify as or be deemed to be a remanufacturer who produces hearses unless the person has a written agreement with the manufacturer of the chassis the person utilizes to produce the hearses to complete properly the remanufacture of the chassis into hearses.

(5) For the purposes of division ~~(GG)~~(FF)(1) of this section, "mobile self-contained facility vehicle" means a mobile classroom vehicle, mobile

laboratory vehicle, bookmobile, bloodmobile, testing laboratory, and mobile display vehicle, each of which is designed for purposes other than for passenger transportation and other than the transportation or displacement of cargo, freight, materials, or merchandise. A vehicle is remanufactured into a mobile self-contained facility vehicle in part by the addition of insulation to the body shell, and installation of all of the following: a generator, electrical wiring, plumbing, holding tanks, doors, windows, cabinets, shelving, and heating, ventilating, and air conditioning systems.

(6) For the purposes of division ~~(GG)~~(FF)(1) of this section, "tow truck" means both of the following:

(a) An incomplete cab and chassis that are purchased by a remanufacturer from a new motor vehicle dealer or distributor of the cab and chassis and on which the remanufacturer then installs in a permanent manner a wrecker body it purchases from a manufacturer or distributor of wrecker bodies, installs an emergency flashing light pylon and emergency lights upon the mast of the wrecker body or rooftop, and installs such other related accessories and equipment, including push bumpers, front grille guards with pads and other custom-ordered items such as painting, special lettering, and safety striping so as to create a complete motor vehicle capable of lifting and towing another motor vehicle.

(b) An incomplete cab and chassis that are purchased by a remanufacturer from a new motor vehicle dealer or distributor of the cab and chassis and on which the remanufacturer then installs in a permanent manner a car carrier body it purchases from a manufacturer or distributor of car carrier bodies, installs an emergency flashing light pylon and emergency lights upon the rooftop, and installs such other related accessories and equipment, including push bumpers, front grille guards with pads and other custom-ordered items such as painting, special lettering, and safety striping.

As used in division ~~(GG)~~(FF)(6)(b) of this section, "car carrier body" means a mechanical or hydraulic apparatus capable of lifting and holding a motor vehicle on a flat level surface so that one or more motor vehicles can be transported, once the car carrier is permanently installed upon an incomplete cab and chassis.

~~(HH)~~(GG) "Operating as a new motor vehicle dealership" means engaging in activities such as displaying, offering for sale, and selling new motor vehicles at retail, operating a service facility to perform repairs and maintenance on motor vehicles, offering for sale and selling motor vehicle parts at retail, and conducting all other acts that are usual and customary to the operation of a new motor vehicle dealership. For the purposes of this chapter only, possession of either a valid new motor vehicle dealer franchise



agreement or a new motor vehicle dealers license, or both of these items, is not evidence that a person is operating as a new motor vehicle dealership.

~~(H)~~(HH) "Outdoor power equipment" means garden and small utility tractors, walk-behind and riding mowers, chainsaws, and tillers.

~~(H)~~(II) "Remote service facility" means premises that are separate from a licensed new motor vehicle dealer's sales facility by not more than one mile and that are used by the dealer to perform repairs, warranty work, recall work, and maintenance on motor vehicles pursuant to a franchise agreement entered into with a manufacturer of motor vehicles. A remote service facility shall be deemed to be part of the franchise agreement and is subject to all the rights, duties, obligations, and requirements of Chapter 4517. of the Revised Code that relate to the performance of motor vehicle repairs, warranty work, recall work, and maintenance work by new motor vehicle dealers.

~~(K)~~(JJ) "Recreational vehicle" has the same meaning as in section 4501.01 of the Revised Code.

~~(L)~~(KK) "Construction equipment auctioneer" means a person who holds both a valid auction firm license issued under Chapter 4707. of the Revised Code and a valid construction equipment auction license issued under this chapter.

~~(M)~~(LL) "Large construction or transportation equipment" means vehicles having a gross vehicle weight rating of more than ten thousand pounds and includes road rollers, traction engines, power shovels, power cranes, commercial cars and trucks, or farm trucks, and other similar vehicles obtained primarily from the construction, mining, transportation or farming industries.

Sec. 4517.03. (A) A place of business that is used for selling, displaying, offering for sale, or dealing in motor vehicles shall be considered as used exclusively for those purposes even though snowmobiles, farm machinery, outdoor power equipment, watercraft and related products, or products manufactured or distributed by a motor vehicle manufacturer with which the motor vehicle dealer has a franchise agreement are sold or displayed there, or if repair, accessory, gasoline and oil, storage, parts, service, or paint departments are maintained there, or such products or services are provided there, if the departments are operated or the products or services are provided for the business of selling, displaying, offering for sale, or dealing in motor vehicles. Places of business or departments in a place of business used to dismantle, salvage, or rebuild motor vehicles by means of using used parts, are not considered as being maintained for the purpose of assisting or furthering the selling, displaying, offering for sale, or

dealing in motor vehicles. A place of business shall be considered as used exclusively for selling, displaying, offering for sale, or dealing in motor vehicles even though a business owned by a motor vehicle leasing dealer or a motor vehicle renting dealer is located at the place of business.

(B)(1)(a) No new motor vehicle dealer shall sell, display, offer for sale, or deal in motor vehicles at any place except an established place of business that is used exclusively for the purpose of selling, displaying, offering for sale, or dealing in motor vehicles. The place of business shall have space, under roof, for the display of at least one new motor vehicle. The established place of business or, if the dealer operates a remote service facility, the dealer's remote service facility shall have facilities and space for the inspection, servicing, and repair of at least one motor vehicle. However a new motor vehicle dealer selling manufactured or mobile homes is exempt from the requirement that a place of business have space, under roof, for the display of at least one new motor vehicle and facilities and space for the inspection, servicing, and repair of at least one motor vehicle.

(b) A new motor vehicle dealer does not violate division (B)(1) of this section if a customer of the new motor vehicle dealer executes purchase or lease documentation at a location other than the new motor vehicle dealer's established place of business.

(c) A commercial transaction involving the sale or lease by a new motor vehicle dealer of a new heavy duty vehicle, as defined in 49 C.F.R. 523.6, is deemed to have taken place at the new motor vehicle dealer's established place of business if the sale or lease is negotiated and the documents are executed at the customer's business location.

(2) A licensed new motor vehicle dealer may operate a remote service facility with the consent of the manufacturer and only to perform repairs, warranty work, recall work, and maintenance on motor vehicles as part of the dealer's franchised and licensed new motor vehicle dealership. The remote service facility shall be included on the new motor vehicle dealer's license and be deemed to be part of the dealer's licensed location.

(3) No person shall use a remote service facility for selling, displaying, or offering for sale motor vehicles.

(C) No used motor vehicle dealer shall sell, display, offer for sale, or deal in motor vehicles at any place except an established place of business that is used exclusively for the purpose of selling, displaying, offering for sale, or dealing in motor vehicles.

(D) No motor vehicle leasing dealer shall make a motor vehicle available for use by another, in the manner described in division (M) of section 4517.01 of the Revised Code, at any place except an established

place of business that is used for leasing motor vehicles; except that a motor vehicle leasing dealer who is also a new motor vehicle dealer or used motor vehicle dealer may lease motor vehicles at the same place of business at which the dealer sells, offers for sale, or deals in new or used motor vehicles.

(E) No motor vehicle leasing dealer or motor vehicle renting dealer shall sell a motor vehicle within ninety days after a certificate of title to the motor vehicle is issued to the dealer, except as follows:

(1) A salvage certificate of title may be issued to replace the original certificate of title.

(2) A motor vehicle leasing dealer may sell a motor vehicle to another motor vehicle leasing dealer at the end of a sublease pursuant to that sublease.

(3) A motor vehicle leasing dealer may sell a motor vehicle previously titled to an ultimate purchaser to another licensed motor vehicle dealer.

(4) A motor vehicle leasing dealer may sell a motor vehicle when the motor vehicle has been titled in the dealer's name or in the name of an entity affiliated with the dealer in this state or another state for a cumulative period of ninety days.

(F) No distributor shall distribute new motor vehicles to new motor vehicle dealers at any place except an established place of business that is used exclusively for the purpose of distributing new motor vehicles to new motor vehicle dealers; except that a distributor who is also a new motor vehicle dealer may distribute new motor vehicles at the same place of business at which the distributor sells, displays, offers for sale, or deals in new motor vehicles.

(G) No person, firm, or corporation that sells, displays, or offers for sale tent-type fold-out camping trailers is subject to the requirement that the person's, firm's, or corporation's place of business be used exclusively for the purpose of selling, displaying, offering for sale, or dealing in motor vehicles. No person, firm, or corporation that sells, displays, or offers for sale tent-type fold-out camping trailers, trailers, semitrailers, or park trailers is subject to the requirement that the place of business have space, under roof, for the display of at least one new motor vehicle and facilities and space for the inspection, servicing, and repair of at least one motor vehicle.

(H) Nothing in this section shall be construed to prohibit persons licensed under this chapter from making sales calls.

(I) Whoever violates this section is guilty of a misdemeanor of the fourth degree.

(J) As used in this section:

(1) "Motor vehicle leasing dealer" has the same meaning as in section 4517.01 of the Revised Code.

(2) "Motor vehicle renting dealer" has the same meaning as in section 4549.65 of the Revised Code.

(3) "Watercraft" has the same meaning as in section 1547.01 of the Revised Code.

Sec. 4517.22. (A) As used in this section:

(1) "General market area" means the contiguous geographical area established by a motor vehicle show sponsor that is based upon the size of the show and that does not unreasonably exclude any licensed new motor vehicle dealer.

(2) "Gross vehicle weight" means the unladen weight of a motor vehicle fully equipped.

(3) "Livestock trailer" means a new or used trailer designed by its manufacturer to be used to transport horses or to transport animals generally used for food or in the production of food, including cattle, sheep, goats, rabbits, poultry, swine, and any other animals included by the director of agriculture in rules adopted under section 901.72 of the Revised Code.

(4) "Major livestock show" means any show of livestock that is held at the Ohio state fairgrounds, is national in scope, and that continues for more than ten consecutive days.

(5) "Motor vehicle show" means a display of new motor vehicles that lasts not more than ten days by more than one new motor vehicle dealer dealing in competitive types of motor vehicles and that is authorized by the registrar of motor vehicles primarily to allow the general public an opportunity to compare and inspect a variety of makes and models simultaneously, test drive vehicles, and gain an understanding of new technology and available features.

(6) "Truck" has the same meaning as in section 4511.01 of the Revised Code.

(B) Any group of licensed new motor vehicle dealers may display motor vehicles at a motor vehicle show within the general market area allocated to a licensed new motor vehicle dealer, whenever all of the following conditions are met:

(1) The primary purpose of the motor vehicle show is the exhibition of competitive makes and models of motor vehicles to provide the general public the opportunity to review and inspect various makes and models of motor vehicles at a single location;

(2) Not assigned by the sponsor if, not less than thirty days before the planned opening date of the motor vehicle show, the group requests sponsor

executes and receives permission to hold the show from files with the registrar of motor vehicles an affidavit, in a form prescribed by the registrar, that certifies that all requirements of this section have been or will be met, as applicable.

If the registrar approves the affidavit, the registrar shall grant the sponsor permission to conduct the motor vehicle show. If the registrar determines that there is a deficiency in the affidavit, the registrar shall inform the sponsor of the deficiency as soon possible after the registrar receives the affidavit so that the sponsor has the opportunity to remedy the deficiency. The registrar also shall describe with specificity the measures the sponsor is required to take in order to cure the deficiency. The sponsor shall return the corrected affidavit to the registrar not later than before the planned opening date of the motor vehicle show in order for the sponsor to be eligible to hold the show. If the registrar finds that the deficiency has been cured in the corrected affidavit, the registrar shall grant the sponsor permission to conduct the motor vehicle show. If the registrar finds that the deficiency has not been cured, the registrar shall deny the sponsor permission to conduct the motor vehicle show.

~~(B)~~(C) No contracts shall be signed, deposits taken, or sales consummated at the location of a motor vehicle show.

~~(C)~~(D) Any sponsor of a motor vehicle show or the sponsor's representative shall offer by mail an invitation to all new motor vehicle dealers dealing in competitive types of motor vehicles in the general market area to participate and display motor vehicles in the show. The sponsor or representative may offer a similar invitation to manufacturers or distributors. A copy of each invitation shall be retained by the sponsor for ~~at least~~ one year after the show.

~~(D)~~ ~~No person except a~~ (E) A manufacturer or distributor ~~shall~~ may hold in any public place a motor vehicle show at which only one motor vehicle is displayed, ~~and but~~ no such single unit show shall be held unless the manufacturer or distributor ~~requests~~ executes and receives permission from files with the registrar not less than thirty days before the show an affidavit, in a form prescribed by the registrar, that certifies that all requirements of this section have been or will be met, as applicable, and subsequently receives approval of that affidavit from the registrar.

~~(E)~~(F) The registrar shall not grant permission for any motor vehicle show to be held, unless it is proven to the registrar's satisfaction that no attempt is being made to circumvent the provisions of sections 4517.01 to 4517.45 of the Revised Code.

~~(F)~~(G) Nothing contained in this section shall be construed as

prohibiting the taking of orders for nonmotorized recreational vehicles as defined in section 4501.01 of the Revised Code at sports or camping shows.

~~(G)~~(H) No motor vehicle dealer, motor vehicle leasing dealer, motor vehicle auction owner, or distributor licensed under sections 4517.01 to 4517.45 of the Revised Code shall display a motor vehicle at any place except the dealer's, owner's, or distributor's licensed location, unless the dealer, owner, or distributor first obtains permission from the registrar and complies with the applicable rules of the motor vehicle dealers board or the display is authorized pursuant to section 4517.221 of the Revised Code.

~~(H)~~(I) Nothing contained in this section shall be construed as prohibiting the display of, the taking of orders for, or the sale of, livestock trailers at livestock and agricultural shows, including county fairs. Notwithstanding section 4517.03 of the Revised Code, livestock trailers may be sold at livestock and agricultural shows, including county fairs, as permitted by this division.

~~As used in this division, "livestock trailer" means a new or used trailer designed by its manufacturer to be used to transport horses or to transport animals generally used for food or in the production of food, including cattle, sheep, goats, rabbits, poultry, swine, and any other animals included by the director of agriculture in rules adopted under section 901.72 of the Revised Code.~~

~~(I)~~(J) Notwithstanding ~~division (B)~~ any provision of this section to the contrary, for a period not to exceed thirty days, contracts may be signed, deposits taken, and sales consummated at the location of a motor vehicle show where the motor vehicles involved are horse trailers or towing vehicles that are trucks and have a gross vehicle weight of more than three-quarters of a ton, the motor vehicle show is being held as part of or in connection with a major livestock show, the licensed new motor vehicle dealers involved have complied with the applicable requirements of this section, and the registrar has granted permission for the motor vehicle show in accordance with division ~~(E)~~(F) of this section.

~~As used in this division:~~

~~(1) "Major livestock show" means any show of livestock that is held at the Ohio state fairgrounds, is national in scope, and that continues for more than ten consecutive days.~~

~~(2) "Truck" has the same meaning as in section 4511.01 of the Revised Code.~~

~~(3) "Gross vehicle weight" means the unladen weight of the vehicle fully equipped.~~

~~(J)~~(K)(1) Notwithstanding division (H) of this section, if, pursuant to

division (B) of this section, the registrar has granted a show representative permission to hold a motor vehicle show at the annual fair of a county or independent agricultural society and if the society files a certification under division (K)(2) of this section, a new motor vehicle dealer may display motor vehicles at that annual fair even if no other new motor vehicle dealer displays competitive makes and models at the fair.

(2) To obtain a waiver under division (K)(1) of this section, a county or independent agricultural society shall certify all of the following:

(a) That an invitation was sent to all new motor vehicle dealers within the county where the fair is held;

(b) That the terms of the invitation were reasonable and nondiscriminatory;

(c) That only one new motor vehicle dealer accepted the invitation.

(L) ~~Whoever~~ (1) Until six months after the effective date of this amendment, whoever violates this section or section 4517.221 of the Revised Code is guilty of a misdemeanor of the fourth degree.

(2) The board shall adopt rules establishing the amount of a penalty for a violation of this section or section 4517.221 of the Revised Code, which shall not exceed one thousand dollars for each violation.

(3) Beginning six months after the effective date of this amendment, after finding, pursuant to adjudication conducted in accordance with Chapter 119. of the Revised Code, that a person has violated this section or section 4517.221 of the Revised Code, the board may order the person to pay an administrative penalty described in division (L)(2) of this section for each violation in accordance with the rule adopted by the board.

(4) For purposes of the administrative penalties described in divisions (L)(2) and (3) of this section, each sale that occurs in violation of this section or section 4517.221 of the Revised Code and each day that a violation occurs or continues to occur constitutes a separate violation.

(5) All penalties collected pursuant to division (L)(3) of this section shall be paid to the title defect rescission fund established in section 1345.52 of the Revised Code.

Sec. 4517.221. (A) As used in this section:

(1) "Charitable or civic purpose" means either of the following:

(a) A purpose described in section 501(c)(3) of the Internal Revenue Code;

(b) A benevolent, philanthropic, patriotic, educational, humane, scientific, public health, environmental conservation, or civic objective, or any objective that benefits law enforcement personnel, firefighters, or other persons who protect the public safety.

"Charitable or civic purpose" is not limited to those purposes for which contributions are tax deductible under section 170 of the Internal Revenue Code.

(2) "Internal Revenue Code" means the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1 et seq., as amended.

(B)(1) Notwithstanding any provision of section 4517.22 of the Revised Code to the contrary and except as provided in division (B)(2) of this section, a licensed new motor vehicle dealer that satisfies the requirements of this section may display new motor vehicles at a location other than the dealer's established place of business to provide the general public an opportunity to review and inspect the dealer's product line, including safety features and new technology.

(2) No licensed motor vehicle dealer shall display new motor vehicles at the annual fair sponsored by a county or agricultural society unless the sponsor complies with the provisions of division (B) of section 4517.22 of the Revised Code.

(C) For a display under this section by a licensed new motor vehicle dealer within the area of responsibility assigned to that dealer by a manufacturer, the dealer shall satisfy the following conditions:

(1) The purpose of the display is to promote or benefit a charitable or civic purpose.

(2) The dealer displays not more than six vehicles that may be available for test drive during the display.

(3) The dealer files both of the following with the registrar of motor vehicles within three business days prior to the display and in a form prescribed by the registrar:

(a) Evidence of the area of responsibility assigned to the dealer by the manufacturer;

(b) An affidavit that affirms all of the following:

(i) That the location of the display is within the area of responsibility assigned to the dealer by a manufacturer;

(ii) The beginning and end date of the display;

(iii) That not more than six vehicles will be displayed;

(iv) That to the best of the dealer's knowledge, no other dealer will display a vehicle at the location during the dates of the display;

(v) That no contracts will be signed, deposits taken, or sales consummated at the location of the display;

(vi) The charitable or civic purpose promoted or benefited by the display.

(D) For a display under this section by a new motor vehicle dealer



outside the area of responsibility assigned to that dealer by a manufacturer, the dealer shall satisfy the following conditions:

(1) The purpose of the display is to promote or benefit a charitable or civic purpose.

(2) The dealer displays not more than six vehicles.

(3) The dealer files an affidavit with the registrar in a form prescribed by the registrar and within three business days prior to the display that affirms all of the following:

(a) That the location of the display is not within the area of responsibility assigned to the dealer by a manufacturer;

(b) That the dealer has provided every dealer selling the same line-make within the area of responsibility where the display will occur with notice of the dealer's intent to display and each of those dealers has agreed to allow the display to occur;

(c) The beginning and end date of the display;

(d) That not more than six vehicles will be on display;

(e) That no test drives will occur and the vehicles will remain stationary;

(f) That to the best of the dealer's knowledge, no other dealer will display a vehicle at the location during the dates of the display;

(g) That the dealer has not displayed a vehicle pursuant to division (D) of this section for more than six days during the calendar year and that the current display will not result in the dealer exceeding the six-day maximum;

(h) That no contracts will be signed, deposits taken, or sales consummated at the location of the display.

(E) No licensed new motor vehicle dealer shall display for more than six days per calendar year outside the area of responsibility assigned to that dealer by a manufacturer.

(F)(1) No licensed new motor vehicle dealer shall display outside the area of responsibility assigned to that dealer by a manufacturer if a dealer handling the same line-make within the area of responsibility objects to the display.

(2) A licensed motor vehicle dealer who displays outside the area of responsibility assigned to that dealer by a manufacturer bears the burden of proving that no dealer of the same line-make within the area objected to the display.

(3) A licensed motor vehicle dealer who files an affidavit under division (D) of this section shall maintain any documentation that is evidence of consent to display in that area for one year following the last day of the display.

(G) A licensed new motor vehicle dealer who files an affidavit under

division (C) or (D) of this section shall maintain a copy of that affidavit for one year following the last day of the display.

(H) Delivery of a previously ordered vehicle does not constitute a display under this section.

SECTION 2. That existing sections 1345.52, 4503.312, 4517.01, 4517.03, and 4517.22 of the Revised Code are hereby repealed.

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*Speaker* \_\_\_\_\_ *of the House of Representatives.*

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*President* \_\_\_\_\_ *of the Senate.*

Passed \_\_\_\_\_, 20\_\_\_\_

Approved \_\_\_\_\_, 20\_\_\_\_

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*Governor.*

Am. Sub. H. B. No. 318

130th G.A.

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

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*Director, Legislative Service Commission.*

Filed in the office of the Secretary of State at Columbus, Ohio, on the \_\_\_ day of \_\_\_\_\_, A. D. 20\_\_\_\_.

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*Secretary of State.*

File No. \_\_\_\_\_ Effective Date \_\_\_\_\_