



February 27, 2024

ENGROSSED

SENATE BILL No. 222

DIGEST OF SB 222 (Updated February 27, 2024 11:17 am - DI 137)

Citations Affected: IC 9-32; IC 34-30.

Synopsis: Automobile dealers. Amends the remedy procedure to repair a motor vehicle that is subject to a stop sale directive to include new motor vehicles. Requires a purchaser, customer, or transferee of a rebuilt or salvage vehicle to sign a written acknowledgment of receipt of the disclosure for a rebuilt or salvage vehicle. Requires the dealer services division of the secretary of state (secretary) to prescribe the form of the written disclosure for a rebuilt or salvage vehicle. Establishes a required training course that an applicant for a used motor vehicle dealer license must complete in order to obtain a used motor vehicle dealer license. Requires dealers to be able to provide to the secretary dealer records in an electronic format. Provides that a dealer has 10 business days to produce electronic dealer records after an investigating or auditing employee of the secretary requests the records. Requires any item that is not a part of the advertised sale price of a motor vehicle to be a separate line item in the contract for sale or lease. Provides that: (1) the owner, lessor, or operator of a commercial motor vehicle; or (2) a person who leases or rents a commercial motor vehicle to another person; is not civilly liable for a tort claim based on the failure to install optional equipment on a commercial motor vehicle unless certain circumstances exist.

Effective: July 1, 2024.

Messmer, Crider

(HOUSE SPONSORS — PRESSEL, LINDAUER, BARTELS, HARRIS)

January 9, 2024, read first time and referred to Committee on Homeland Security and Transportation.

January 23, 2024, amended, reported favorably — Do Pass.

January 29, 2024, read second time, amended, ordered engrossed.

January 30, 2024, engrossed. Read third time, passed. Yeas 49, nays 0.

HOUSE ACTION

February 6, 2024, read first time and referred to Committee on Roads and Transportation.

February 27, 2024, amended, reported — Do Pass.

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February 27, 2024

Second Regular Session of the 123rd General Assembly (2024)

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 2023 Regular Session of the General Assembly.

ENGROSSED SENATE BILL No. 222

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 9-32-2-24.8, AS ADDED BY P.L.134-2023,
2 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2024]: Sec. 24.8. "Stop sale directive" means a notification
4 issued by a manufacturer or distributor stating that a **new or** used
5 vehicle in inventory may not be sold or leased at retail or wholesale due
6 to:

- 7 (1) a federal safety recall for:
8 (A) a defect; or
9 (B) a noncompliance; or
10 (2) a federal emissions recall.
- 11 SECTION 2. IC 9-32-11-2, AS AMENDED BY P.L.20-2022,
12 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 JULY 1, 2024]: Sec. 2. (a) An application for a license under this
14 article must:
15 (1) be accompanied by payment of the applicable fee required
16 under this section;
17 (2) be on a form prescribed by the secretary;

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- 1 (3) contain the information the secretary considers necessary to
 2 enable the secretary to determine fully:
 3 (A) the qualifications and eligibility of the applicant to receive
 4 the license; and
 5 (B) the ability of the applicant to conduct properly the business
 6 for which the application is submitted;
 7 (4) contain evidence of a bond required in subsection (e);
 8 (5) contain evidence of liability coverage required by section 14
 9 of this chapter;
 10 (6) contain the federal tax identification number issued to the
 11 dealer; and
 12 (7) contain the registered retail merchant's certificate issued to the
 13 dealer under IC 6-2.5-8.
- 14 (b) An application for a license as a dealer must show whether the
 15 applicant proposes to sell new or used motor vehicles, or both.
- 16 (c) An applicant who proposes to use the Internet or another
 17 computer network to facilitate the sale of motor vehicles shall maintain
 18 all records at the established place of business in Indiana.
- 19 (d) Except as provided in subsection (e), the application must
 20 include an affidavit from:
 21 (1) the person charged with enforcing a zoning ordinance, if one
 22 exists; or
 23 (2) the zoning enforcement officer under IC 36-7-4;
 24 who has jurisdiction over the real property where the applicant wants
 25 to operate as a dealer. The affidavit must state that the proposed
 26 location is zoned for the operation of a dealer's establishment.
- 27 (e) If there is no person or officer under subsection (d)(1) or (d)(2),
 28 the application must be accompanied by a statement to that effect from
 29 the executive (as defined in IC 36-1-2-5) of the unit in which the real
 30 property is located.
- 31 (f) The applicant may file the zoning affidavit under subsection (d)
 32 or statement under subsection (e) with the application at any time after
 33 the filing of the application. However, the secretary may not issue a
 34 license until the applicant files the affidavit or the statement.
- 35 (g) The zoning affidavit under subsection (d) or statement under
 36 subsection (e) may not be signed by a person described in subsection
 37 (d)(1) or (d)(2) or the executive of the unit more than ninety (90) days
 38 before the affidavit or statement is submitted to the secretary as part of
 39 an application for a license under this article.
- 40 (h) A licensee shall maintain a bond satisfactory to the secretary in
 41 the amount of twenty-five thousand dollars (\$25,000). The bond must:
 42 (1) be in favor of the state;



- 1 (2) secure payment of fines, penalties, costs, and fees assessed by
- 2 the secretary after:
- 3 (A) notice;
- 4 (B) opportunity for a hearing; and
- 5 (C) opportunity for judicial review; and
- 6 (3) secure the payment of damages to a person aggrieved by a
- 7 violation of this article by the licensee after a judgment has been
- 8 issued.

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

11 (j) The fee for a license for a manufacturer or a distributor is
 12 thirty-five dollars (\$35).

13 (k) The fee for a license for a used motor vehicle dealer, new motor
 14 vehicle dealer, or automobile auction company is thirty dollars (\$30).

15 (l) The fee for a transfer dealer or a converter manufacturer is
 16 twenty dollars (\$20).

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

19 **(n) An application for a used motor vehicle license must include**
 20 **a certificate of completion of the training course described in**
 21 **IC 9-32-16-1.3, issued by the Independent Automobile Dealers**
 22 **Association domiciled in Indiana.**

23 SECTION 3. IC 9-32-11-23, AS ADDED BY P.L.134-2023,
 24 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JULY 1, 2024]: Sec. 23. (a) Except as otherwise provided in an
 26 agreement for reimbursement ~~between a manufacturer or distributor~~
 27 ~~and a dealer, that provides for reimbursement in an amount that is~~
 28 **equivalent to or greater than the amount set forth in subsection (b),**
 29 a manufacturer or distributor shall provide a remedy procedure or parts
 30 to repair a **new or** used motor vehicle that is subject to a stop sale
 31 directive, if:

32 (1) the dealer has an active sales and service agreement with the
 33 manufacturer or distributor for the line make of the **new or** used
 34 motor vehicle subject to the stop sale directive; and

35 (2) the **new or** used motor vehicle subject to the stop sale
 36 directive is in the dealer's inventory at the time the stop sale
 37 directive is issued.

38 (b) If a manufacturer or distributor **is required to provide a**
 39 **remedy under subsection (a) and** does not provide a remedy or parts
 40 required under subsection (a) for at least thirty (30) days after the stop
 41 sale directive is issued, the manufacturer or distributor shall, upon
 42 application of the dealer, pay or credit the dealer an amount equal to



1 one percent (1%) of the **new motor vehicle price invoiced to the**
 2 **dealer or one percent (1%) of the** average wholesale value of the
 3 used motor vehicle per month.

4 (c) A manufacturer or distributor may cease compensation under
 5 subsection (b) on the date upon which of any of the following occurs:

6 (1) The stop sale directive is withdrawn.

7 (2) The manufacturer or distributor provides the dealer with a
 8 remedy or parts under subsection (a).

9 (3) The dealer sells, trades, transfers, or otherwise disposes of the
 10 **new or** used motor vehicle.

11 (d) This section does not require a manufacturer or distributor to
 12 provide total compensation to a dealer that would exceed the total **new**
 13 **motor vehicle price invoiced to the dealer or** average wholesale
 14 value of the used motor vehicle.

15 (e) A manufacturer or distributor may compensate a dealer under a
 16 recall compensation program **an amount not less than an amount**
 17 **described under this section** if the dealer agrees to compensation
 18 under the program.

19 (f) Any compensation provided to a dealer under this section is
 20 exclusive and may not be combined with any other recall compensation
 21 remedy under state or federal law.

22 SECTION 4. IC 9-32-13-6, AS AMENDED BY P.L.20-2022,
 23 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 24 JULY 1, 2024]: Sec. 6. (a) For purposes of this section, "salvage
 25 vehicle" has the meaning set forth in IC 9-13-2-160(2).

26 (b) It is an unfair practice for a dealer to sell, exchange, or transfer
 27 a rebuilt or salvage vehicle without disclosing in writing to the
 28 purchaser, customer, or transferee the fact that the motor vehicle is a
 29 rebuilt or salvage vehicle if the dealer knows or should reasonably
 30 know before consummating the sale, exchange, or transfer that the
 31 motor vehicle is a rebuilt or salvage vehicle.

32 (c) **The purchaser, customer, or transferee must sign a written**
 33 **acknowledgment of receipt of the written disclosure described in**
 34 **subsection (b).**

35 (d) **The division shall prescribe the form of the written**
 36 **disclosure described in subsection (b).**

37 SECTION 5. IC 9-32-16-1, AS AMENDED BY P.L.108-2019,
 38 SECTION 189, IS AMENDED TO READ AS FOLLOWS
 39 [EFFECTIVE JULY 1, 2024]: Sec. 1. (a) This chapter shall be
 40 administered by the secretary.

41 (b) The secretary:

42 (1) shall employ employees, including a director, investigators, or



- 1 attorneys, necessary for the administration of this article; and
2 (2) shall fix the compensation of the employees with the approval
3 of the budget agency.
- 4 (c) It is unlawful for the director or an officer, employee, or
5 designee of the secretary to use for personal benefit or the benefit of
6 others records or other information obtained by or filed with the dealer
7 services division under this article that are confidential. This article
8 does not authorize the director or an officer, employee, or designee of
9 the secretary to disclose the record or information, except in
10 accordance with this chapter.
- 11 (d) This article does not create or diminish a privilege or exemption
12 that exists at common law, by statute or rule, or otherwise.
- 13 (e) The secretary may develop and implement dealer's and motor
14 vehicle purchaser's education initiatives to inform dealers and the
15 public about the offer or sale of motor vehicles, with particular
16 emphasis on the prevention and detection of fraud involving motor
17 vehicle sales. In developing and implementing these initiatives, the
18 secretary may collaborate with public and nonprofit organizations with
19 an interest in consumer education. The secretary may accept a grant or
20 donation from a person that is not affiliated with the dealer industry or
21 from a nonprofit organization, regardless of whether the organization
22 is affiliated with the dealer industry, to develop and implement
23 consumer education initiatives. ~~This subsection does not authorize the
24 secretary to require participation or monetary contributions of a
25 registrant in an education program.~~
- 26 (f) Fees and funds accruing from the administration of this article:
27 (1) described in IC 9-32-7-1(d) shall be accounted for by the
28 secretary and shall be deposited with the treasurer of state to be
29 deposited in the dealer compliance account established by
30 IC 9-32-7-1(a);
31 (2) described in IC 9-32-7-2(b) shall be accounted for by the
32 secretary and shall be deposited with the treasurer of state to be
33 deposited in the dealer enforcement account established by
34 IC 9-32-7-2(a);
35 (3) that are designated for deposit in the motor vehicle highway
36 account shall be accounted for by the secretary and shall be
37 deposited with the treasurer of state to be deposited in the motor
38 vehicle highway account under IC 8-14-1;
39 (4) described in IC 9-32-7-3(3) shall be accounted for by the
40 secretary and shall be deposited with the treasurer of state to be
41 deposited with the state police department, and these fees and
42 funds are continuously appropriated to the department for its use



1 in enforcing odometer laws;

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

7 (6) that are designated for deposit in the state construction fund
8 shall be accounted for by the secretary and shall be deposited with
9 the treasurer of state to be deposited in the state construction
10 fund.

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

21 (g) In connection with the administration and enforcement of this
22 article, the attorney general shall render all necessary assistance to the
23 director upon the request of the director. To that end, the attorney
24 general shall employ legal and other professional services as are
25 necessary to adequately and fully perform the service under the
26 direction of the director as the demands of the division require.
27 Expenses incurred by the attorney general for the purposes stated under
28 this subsection are chargeable against and shall be paid out of funds
29 appropriated to the attorney general for the administration of the
30 attorney general's office. The attorney general may authorize the
31 director and the director's designee to represent the director and the
32 division in any proceeding involving enforcement or defense of this
33 article.

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

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

40 (1) are police officers of the state;

41 (2) have all the powers and duties of police officers in conducting
42 investigations for violations of this article, or in serving any



1 process, notice, or order issued by an officer, authority, or court
2 in connection with the enforcement of this article; and

3 (3) comprise the enforcement department of the division.

4 The division is a criminal justice agency for purposes of IC 5-2-4 and
5 IC 10-13-3.

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

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

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

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

19 SECTION 6. IC 9-32-16-1.3 IS ADDED TO THE INDIANA CODE
20 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
21 1, 2024]: **Sec. 1.3. (a) The secretary in consultation with the
22 Independent Automobile Dealers Association domiciled in Indiana
23 and the division shall develop a required training course that an
24 applicant for a used motor vehicle dealer license must complete in
25 order to obtain a used motor vehicle dealer license. The training
26 course must provide the used motor vehicle dealer information on:**

27 (1) licensing requirements;

28 (2) laws; and

29 (3) rules.

30 (b) The training course under this section must be offered and
31 certified by the Independent Automobile Dealers Association
32 domiciled in Indiana.

33 (c) The training course under this section must be offered
34 online.

35 (d) Upon completion of the training course:

36 (1) the Independent Automobile Dealers Association
37 domiciled in Indiana shall issue a certificate of completion to
38 each used motor vehicle dealer who successfully completes the
39 training course; and

40 (2) the used motor vehicle dealer is not required to retake the
41 training course.

42 (e) The applicant for a used motor vehicle dealer license must



1 submit the certificate of completion issued by the Independent
 2 Automobile Dealers Association domiciled in Indiana in subsection
 3 (d)(1) with the applicant's application for a used motor vehicle
 4 dealer license.

5 (f) The cost for the training course under this section shall:

6 (1) not exceed three hundred dollars (\$300);

7 (2) be payable to the Independent Automobile Dealers
 8 Association domiciled in Indiana.

9 (g) A used motor vehicle dealer is not required to participate in
 10 the training course under this section if the dealer:

11 (1) is renewing the used motor vehicle dealer's license; or

12 (2) has:

13 (A) more than one (1) used motor vehicle dealership
 14 location; and

15 (B) previously completed the training course under this
 16 section to obtain a used motor vehicle dealer license for
 17 one (1) of the dealer's used motor vehicle dealership
 18 locations.

19 SECTION 7. IC 9-32-16-6, AS AMENDED BY P.L.120-2020,
 20 SECTION 76, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JULY 1, 2024]: Sec. 6. (a) A dealer licensed or required to be licensed
 22 under this article shall make and maintain the records, accounts,
 23 correspondence, memoranda, papers, books, and other records required
 24 under this article.

25 (b) Dealer records required to be maintained under this article may
 26 be maintained in any form of data storage acceptable to the secretary
 27 so long as the records are readily accessible **electronically or by mail**
 28 and available to copy by an investigating or auditing employee of the
 29 secretary upon demand at the place of business. ~~of the dealer;~~
 30 ~~electronically; or by mail.~~

31 (c) Dealer records required to be maintained under this article must
 32 be maintained at the place of business of a dealer for a period of two
 33 (2) years. Following the two (2) year period, records may be moved
 34 offsite but must be maintained for a period of five (5) years.

35 (d) **If an investigating or auditing employee of the secretary**
 36 **requests dealer records required to be maintained under this**
 37 **article in an electronic format, the dealer must provide the dealer**
 38 **records to the investigating or auditing employee of the secretary**
 39 **not more than ten (10) business days after the request.**

40 SECTION 8. IC 9-32-16-6.3 IS ADDED TO THE INDIANA CODE
 41 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 42 1, 2024]: **Sec. 6.3. An item, including a fee or products or services**



1 to be performed after the sale, that is not included in the advertised
 2 sale price, which includes manufacturer options, for a motor
 3 vehicle as stated in the contract for sale or lease, shall be a separate
 4 line item on the contract for sale or lease.

5 SECTION 9. IC 34-30-35 IS ADDED TO THE INDIANA CODE
 6 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2024]:

8 **Chapter 35. Liability Connected With the Absence of Optional**
 9 **Equipment**

10 **Sec. 1. This chapter applies only to an action in tort.**

11 **Sec. 2. As used in this chapter, "commercial motor vehicle"**
 12 **means a motor vehicle that is used for commercial purposes in**
 13 **interstate or intrastate commerce to transport property or**
 14 **passengers, deliver or transport goods, or provide services.**

15 **Sec. 3. As used in this chapter, "optional equipment" means**
 16 **equipment or a component part of a commercial motor vehicle**
 17 **that:**

18 (1) was not required to be installed or equipped on the
 19 commercial motor vehicle under 49 CFR Part 571 (Federal
 20 Motor Vehicle Safety Standards) at the time the commercial
 21 motor vehicle was manufactured or first sold, whichever is
 22 later; and

23 (2) was not required to be installed or equipped on the
 24 commercial motor vehicle by a law or regulation issued after
 25 the commercial motor vehicle was manufactured or first sold.

26 **Sec. 4. As used in this chapter, "person" means an individual, a**
 27 **corporation, a limited liability company, a partnership, an**
 28 **unincorporated association, or a sole proprietorship.**

29 **Sec. 5. (a) Except as provided in subsection (b):**

30 (1) an owner, lessor, or operator of a commercial motor
 31 vehicle; or

32 (2) a person renting or leasing the commercial motor vehicle
 33 to another person;

34 is not civilly liable for a claim asserting that the person described
 35 in subdivisions (1) through (2) has an obligation or duty to install
 36 or equip optional equipment on a commercial motor vehicle.

37 (b) The immunity described in subsection (a) does not apply if
 38 the person described in subsection (a)(1) or (a)(2) fails to comply
 39 with a law, rule, or regulation issued after the commercial motor
 40 vehicle involved in an accident was manufactured or first sold that
 41 requires a mandatory retrofit or recall of the commercial motor
 42 vehicle to install or equip optional equipment.



1 **Sec. 6. Evidence relating to the failure to install or equip**
2 **optional equipment on a commercial motor vehicle is inadmissible**
3 **as evidence unless the immunity under section 5 of this chapter**
4 **does not apply.**



COMMITTEE REPORT

Madam President: The Senate Committee on Homeland Security and Transportation, to which was referred Senate Bill No. 222, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 2, line 31, reset in roman "twenty-five thousand dollars (\$25,000).".

Page 2, line 31, delete "fifty thousand".

Page 2, line 32, delete "dollars (\$50,000).".

Page 3, delete lines 14 through 42.

Page 4, delete lines 1 through 12.

Page 8, between lines 21 and 22, begin a new paragraph and insert:

"(c) If an investigating or auditing employee of the secretary requests dealer records required to be maintained under this article, the dealer must provide the dealer records to the investigating or auditing employee of the secretary not more than fourteen (14) days after the investigating or auditing employee of the secretary requests the dealer records."

Page 8, line 22, strike "(c)" and insert "(d)".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 222 as introduced.)

CRIDER, Chairperson

Committee Vote: Yeas 8, Nays 0.

 SENATE MOTION

Madam President: I move that Senate Bill 222 be amended to read as follows:

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

"SECTION 1. IC 9-32-2-24.8, AS ADDED BY P.L.134-2023, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 24.8. "Stop sale directive" means a notification issued by a manufacturer or distributor stating that a **new or** used vehicle in inventory may not be sold or leased at retail or wholesale due

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to:

- (1) a federal safety recall for:
 - (A) a defect; or
 - (B) a noncompliance; or
- (2) a federal emissions recall."

Page 3, between lines 12 and 13, begin a new paragraph and insert:

"SECTION 3. IC 9-32-11-23, AS ADDED BY P.L.134-2023, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 23. (a) Except as otherwise provided in an agreement for reimbursement ~~between a manufacturer or distributor and a dealer, that provides for reimbursement in an amount that is equivalent to or greater than the amount set forth in subsection (b),~~ a manufacturer or distributor shall provide a remedy procedure or parts to repair a **new or** used motor vehicle that is subject to a stop sale directive, if:

- (1) the dealer has an active sales and service agreement with the manufacturer or distributor for the line make of the **new or** used motor vehicle subject to the stop sale directive; and
- (2) the **new or** used motor vehicle subject to the stop sale directive is in the dealer's inventory at the time the stop sale directive is issued.

(b) If a manufacturer or distributor **is required to provide a remedy under subsection (a) and** does not provide a remedy or parts required under subsection (a) for at least thirty (30) days after the stop sale directive is issued, the manufacturer or distributor shall, upon application of the dealer, pay or credit the dealer an amount equal to one percent (1%) of the **new motor vehicle price invoiced to the dealer or one percent (1%) of the** average wholesale value of the used motor vehicle per month.

(c) A manufacturer or distributor may cease compensation under subsection (b) on the date upon which of any of the following occurs:

- (1) The stop sale directive is withdrawn.
- (2) The manufacturer or distributor provides the dealer with a remedy or parts under subsection (a).
- (3) The dealer sells, trades, transfers, or otherwise disposes of the **new or** used motor vehicle.

(d) This section does not require a manufacturer or distributor to provide total compensation to a dealer that would exceed the total **new motor vehicle price invoiced to the dealer or** average wholesale value of the used motor vehicle.

(e) A manufacturer or distributor may compensate a dealer under a recall compensation program **an amount not less than an amount**



described under this section if the dealer agrees to compensation under the program.

(f) Any compensation provided to a dealer under this section is exclusive and may not be combined with any other recall compensation remedy under state or federal law."

Renumber all SECTIONS consecutively.

(Reference is to SB 222 as printed January 24, 2024.)

MESSMER

COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred Senate Bill 222, 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 8, delete lines 19 through 42, begin a new paragraph and insert:

"SECTION 7. IC 9-32-16-6, AS AMENDED BY P.L.120-2020, SECTION 76, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 6. (a) A dealer licensed or required to be licensed under this article shall make and maintain the records, accounts, correspondence, memoranda, papers, books, and other records required under this article.

(b) Dealer records required to be maintained under this article may be maintained in any form of data storage acceptable to the secretary so long as the records are readily accessible **electronically or by mail** and available to copy by an investigating or auditing employee of the secretary upon demand at the place of business. ~~of the dealer, electronically, or by mail.~~

(c) Dealer records required to be maintained under this article must be maintained at the place of business of a dealer for a period of two (2) years. Following the two (2) year period, records may be moved offsite but must be maintained for a period of five (5) years.

(d) If an investigating or auditing employee of the secretary requests dealer records required to be maintained under this article in an electronic format, the dealer must provide the dealer records to the investigating or auditing employee of the secretary not more than ten (10) business days after the request.

SECTION 8. IC 9-32-16-6.3 IS ADDED TO THE INDIANA CODE

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AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: **Sec. 6.3. An item, including a fee or products or services to be performed after the sale, that is not included in the advertised sale price, which includes manufacturer options, for a motor vehicle as stated in the contract for sale or lease, shall be a separate line item on the contract for sale or lease."**

Page 9, delete lines 1 through 3, begin a new paragraph and insert:
"SECTION 9. IC 34-30-35 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]:

Chapter 35. Liability Connected With the Absence of Optional Equipment

Sec. 1. This chapter applies only to an action in tort.

Sec. 2. As used in this chapter, "commercial motor vehicle" means a motor vehicle that is used for commercial purposes in interstate or intrastate commerce to transport property or passengers, deliver or transport goods, or provide services.

Sec. 3. As used in this chapter, "optional equipment" means equipment or a component part of a commercial motor vehicle that:

(1) was not required to be installed or equipped on the commercial motor vehicle under 49 CFR Part 571 (Federal Motor Vehicle Safety Standards) at the time the commercial motor vehicle was manufactured or first sold, whichever is later; and

(2) was not required to be installed or equipped on the commercial motor vehicle by a law or regulation issued after the commercial motor vehicle was manufactured or first sold.

Sec. 4. As used in this chapter, "person" means an individual, a corporation, a limited liability company, a partnership, an unincorporated association, or a sole proprietorship.

Sec. 5. (a) Except as provided in subsection (b):

(1) an owner, lessor, or operator of a commercial motor vehicle; or

(2) a person renting or leasing the commercial motor vehicle to another person;

is not civilly liable for a claim asserting that the person described in subdivisions (1) through (2) has an obligation or duty to install or equip optional equipment on a commercial motor vehicle.

(b) The immunity described in subsection (a) does not apply if the person described in subsection (a)(1) or (a)(2) fails to comply with a law, rule, or regulation issued after the commercial motor



vehicle involved in an accident was manufactured or first sold that requires a mandatory retrofit or recall of the commercial motor vehicle to install or equip optional equipment.

Sec. 6. Evidence relating to the failure to install or equip optional equipment on a commercial motor vehicle is inadmissible as evidence unless the immunity under section 5 of this chapter does not apply."

and when so amended that said bill do pass.

(Reference is to SB 222 as reprinted January 30, 2024.)

PRESSEL

Committee Vote: yeas 13, nays 0.

