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Bill Analysis
Legislative Service Commission

H.B. 306

123rd General Assembly
(As Introduced)

Reps. Carey, Bateman, Thomas, Harris, Damschroder, Evans, Sulzer, Perry, Terwilleger, Verich, Pringle, Clancy, Mottley, Logan, Vesper, Padgett, Healy, Buehrer, Jones, Sullivan, Hollister, Roman, Krebs, Buchy

BILL SUMMARY

- Provides that a place of business that is used for selling, displaying, offering for sale, or dealing in motor vehicles still is considered as used exclusively for those purposes even though 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.

CONTENT AND OPERATION

Restrictions relating to motor vehicle dealer locations

Current law

Current law prohibits a new motor vehicle dealer from selling, displaying, offering for sale, or dealing 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. Except for a new motor vehicle dealer who sells manufactured homes, a new motor vehicle dealer must 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; a new motor vehicle dealer who sells manufactured homes is exempt from these requirements. (Sec. 4517.03(B).)

Current law also prohibits a used motor vehicle dealer from selling, displaying, offering for sale, or dealing 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 (sec. 4517.03(C)).

Under current law, a place of business that is used for selling, displaying, offering for sale, or dealing in motor vehicles still is considered as used exclusively for those purposes even though any of the following apply to the place of business: (1) snowmobiles, all-purpose vehicles, or farm machinery is sold or displayed there, (2) repair, accessory, gasoline and oil, storage, parts, service, or paint departments are maintained there, or such products or services are provided there, or (3) 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. (Sec. 4517.03(A).)

Operation of the bill

The bill would expand the provision reviewed in the immediate preceding paragraph by providing that a place of business that is used for selling, displaying, offering for sale, or dealing in motor vehicles still is considered as used exclusively for those purposes even though any of above items (1) to (3) apply to the place of business and even though 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.

Definition and related changes

The bill provides that for purposes of the bill, "watercraft" means any of the following when used or capable of being used for transportation on the water:

- (1) A boat operated by machinery either permanently or temporarily affixed;
- (2) A sailboat other than a sailboard;
- (3) An inflatable, manually propelled boat having a hull identification number meeting the requirements of the United States Coast Guard;
- (4) A canoe or row boat. (Sec. 4517.03(J)(3) by reference to sec. 1547.01.)

The bill also relocates two references to definitions of the terms "motor vehicle leasing dealer" and "motor vehicle renting dealer." (Sec. 4517.03(A), (E), (J)(1), and (J)(2).)

HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	04-20-99	p. 442

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