

As Introduced

**134th General Assembly
Regular Session
2021-2022**

S. B. No. 101

Senator Rulli



A BILL

To amend section 4517.12 of the Revised Code to 1
permit a manufacturer of all-electric motor 2
vehicles to operate one or more dealerships in 3
this state. 4

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 4517.12 of the Revised Code be 5
amended to read as follows: 6

Sec. 4517.12. (A) The registrar of motor vehicles shall 7
deny the application of any person for a license as a motor 8
vehicle dealer, motor vehicle leasing dealer, or motor vehicle 9
auction owner and refuse to issue the license if the registrar 10
finds that the applicant: 11

(1) Has made any false statement of a material fact in the 12
application; 13

(2) Has not complied with sections 4517.01 to 4517.45 of 14
the Revised Code; 15

(3) Is of bad business repute or has habitually defaulted 16
on financial obligations; 17

(4) Is engaged or will engage in the business of selling 18

at retail any new motor vehicles without having written 19
authority from the manufacturer or distributor thereof to sell 20
new motor vehicles and to perform repairs under the terms of the 21
manufacturer's or distributor's new motor vehicle warranty, 22
except as provided in division (C) of this section and except 23
that a person who assembles or installs special equipment or 24
accessories for handicapped persons, as defined in section 25
4503.44 of the Revised Code, upon a motor vehicle chassis 26
supplied by a manufacturer or distributor shall not be denied a 27
license pursuant to division (A)(4) of this section; 28

(5) Has been convicted of a disqualifying offense as 29
determined in accordance with section 9.79 of the Revised Code; 30

(6) Has entered into or is about to enter into a contract 31
or agreement with a manufacturer or distributor of motor 32
vehicles that is contrary to sections 4517.01 to 4517.45 of the 33
Revised Code; 34

(7) Is insolvent; 35

(8) Is of insufficient responsibility to ensure the prompt 36
payment of any final judgments that might reasonably be entered 37
against the applicant because of the transaction of business as 38
a motor vehicle dealer, motor vehicle leasing dealer, or motor 39
vehicle auction owner during the period of the license applied 40
for, or has failed to satisfy any such judgment; 41

(9) Has no established place of business that, where 42
applicable, is used or will be used for the purpose of selling, 43
displaying, offering for sale, dealing in, or leasing motor 44
vehicles at the location for which application is made; 45

(10) Has, less than twelve months prior to making 46
application, been denied a motor vehicle dealer's, motor vehicle 47

leasing dealer's, or motor vehicle auction owner's license, or 48
has any such license revoked; 49

(11) Is a manufacturer, or a parent company, subsidiary, 50
or affiliated entity of a manufacturer, applying for a license 51
to sell or lease new or used motor vehicles at retail. Division 52
(A) (11) of this section shall not serve as a basis for the 53
termination, revocation, or nonrenewal of a license granted 54
prior to September 4, 2014. Nothing in division (A) (11) of this 55
section shall prohibit a manufacturer from doing either of the 56
following: 57

(a) Owning, operating, or controlling not more than three 58
licensed motor vehicle dealerships if, as of January 1, 2014, 59
the manufacturer was selling or otherwise distributing its motor 60
vehicles at an established place of business in this state. Such 61
ownership, operation, or control may continue unless the 62
manufacturer's motor vehicle operations are sold or acquired or 63
the manufacturer produces any motor vehicles other than all- 64
electric motor vehicles. 65

(b) Owning, operating, or controlling one or more licensed 66
motor vehicle dealerships if, as of January 1, 2021, the 67
manufacturer is a manufacturer of all-electric motor vehicles 68
with corporate headquarters and manufacturing facilities in this 69
state. Such ownership, operation, or control may continue unless 70
the manufacturer's motor vehicle operations are sold or acquired 71
or the manufacturer produces any motor vehicles other than all- 72
electric motor vehicles. 73

(c) Disposing of motor vehicles at wholesale at the 74
termination of a consumer lease through a motor vehicle auction. 75

(B) If the applicant is a corporation or partnership, the 76

registrar may refuse to issue a license if any officer, 77
director, or partner of the applicant has been guilty of any act 78
or omission that would be cause for refusing or revoking a 79
license issued to such officer, director, or partner as an 80
individual. The registrar's finding may be based upon facts 81
contained in the application or upon any other information the 82
registrar may have. Immediately upon denying an application for 83
any of the reasons in this section, the registrar shall enter a 84
final order together with the registrar's findings and certify 85
the same to the motor vehicle dealers' and salespersons' 86
licensing board. 87

(C) Notwithstanding division (A)(4) of this section, the 88
registrar shall not deny the application of any person and 89
refuse to issue a license if the registrar finds that the 90
applicant is engaged or will engage in the business of selling 91
at retail any new motor vehicles and demonstrates all of the 92
following in the form prescribed by the registrar: 93

(1) That the applicant has posted a bond, surety, or 94
certificate of deposit with the registrar in an amount not less 95
than one hundred thousand dollars for the protection and benefit 96
of the applicant's customers except that a new motor vehicle 97
dealer who is not exclusively engaged in the business of selling 98
remanufactured vehicles shall not be required to post the bond, 99
surety, or certificate of deposit otherwise required by division 100
(C)(1) of this section; 101

(2) That, at the time of the sale of the vehicle, each 102
customer of the applicant will be furnished with a warranty 103
issued by the remanufacturer for a term of at least one year; 104

(3) That the applicant provides and maintains at the 105
applicant's location and place of business a permanent facility 106

with all of the following:	107
(a) A showroom with space, under roof, for the display of	108
at least one new motor vehicle;	109
(b) A service and parts facility for remanufactured	110
vehicles;	111
(c) Full-time service and parts personnel with the proper	112
training and technical expertise to service the remanufactured	113
vehicles sold by the applicant.	114
Section 2. That existing section 4517.12 of the Revised	115
Code is hereby repealed.	116
Section 3. Section 4517.12 of the Revised Code, as	117
presented in this act, takes effect on the later of October 9,	118
2021, or the effective date of this section. (October 9, 2021,	119
is the effective date of an earlier amendment to that section by	120
H.B. 263 of the 133rd General Assembly.)	121