### As Introduced

# 134th General Assembly Regular Session 2021-2022

S. B. No. 101

#### **Senator Rulli**

# A BILL

То	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 application;	12 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 on financial obligations;	16 17
(4) Is engaged or will engage in the business of selling	18

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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

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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-	
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

applicant's location and place of business a permanent facility

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with all of the following:	107
(a) A showroom with space, under roof, for the display of at least one new motor vehicle;	108 109
<pre>(b) A service and parts facility for remanufactured vehicles;</pre>	110 111
(c) Full-time service and parts personnel with the proper training and technical expertise to service the remanufactured vehicles sold by the applicant.	112 113 114
Section 2. That existing section 4517.12 of the Revised Code is hereby repealed.	115 116
Section 3. Section 4517.12 of the Revised Code, as	117 118
presented in this act, takes effect on the later of October 9,	
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

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H.B. 263 of the 133rd General Assembly.)