

CHAPTER 44
FORMERLY
HOUSE BILL NO. 48
AS AMENDED BY
HOUSE AMENDMENT NO. 1

AN ACT TO AMEND TITLE 21 OF THE DELAWARE CODE RELATING TO REGISTRATION OF VEHICLES.

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

Section 1. Amend § 2124, Title 21 of the Delaware Code by making insertions as shown by underlining and deletions as shown by strike through as follows:

§ 2124. Number plates for manufacturers and dealers; transit plates for transporters and owners of special construction equipment.

(f) Any manufacturer, transporter or retail dealer as defined in Chapter 63 may make application to the Department upon the appropriate form for a certificate and for 1 or more pairs of special plates or single special plates as are appropriate to various types of vehicles of the types subject to registration hereunder. The applicant shall also submit such proof of such applicant's status as a bona fide manufacturer, transporter or retail dealer as may be required by the Department. Dealer license plates will be limited to retail dealerships based on the number of vehicles sold per year. Retail ~~D~~dealers selling 5 to 10 vehicles per year may obtain no more than 1 dealer plate; retail dealers selling 11-25 vehicles per year may obtain no more than 2 dealer plates; retail dealers selling 26-49 vehicles per year may obtain no more than 4 dealer plates; retail dealers selling 50-99 vehicles per year may obtain no more than 20 dealer plates; retail dealers selling 100 or more vehicles per year may obtain any number of dealer plates at the retail dealer's discretion. Wholesale dealers selling 5 to 10 vehicles per year may obtain no more than 1 dealer plate; wholesale dealers selling 11-25 vehicles per year may obtain no more than 2 dealer plates; wholesale dealers selling 26-49 vehicles per year may obtain no more than 4 dealer plates; wholesale dealers selling 50 or more vehicles per year may obtain no more than 20 dealer plates.

Section 2. Amend § 6301, Title 21 of the Delaware Code by making insertions as shown by underlining and deletions as shown by strike through as follows:

§ 6301. Definitions.

As used in this chapter:

(1) "Consignment" is when a vehicle owner enters into an agreement with a dealer for the sale of a vehicle without a transfer of ownership to the dealer.

(2) "Dealer" or "Motor Vehicle Dealer" includes:

a. A person, corporation, partnership, proprietorship or any other legal entity who is in the business of buying, selling or exchanging during any 12-month period 5 or more vehicles; and/or

b. Any person, corporation, partnership, proprietorship or any other legal entity who offers to sell, sells, displays or permits the display for sale, of 5 or more vehicles within a 12 month period.

(3) "Dealer" or "Motor Vehicle Dealer" shall not include:

a. A receiver, trustee, personal representative, or other person appointed by or acting under the authority of any court of competent jurisdiction;

b. A public official who sells or disposes of vehicles in the performance of the official's duties;

c. Any financial institution chartered or authorized to do business in Delaware, including its subsidiaries or affiliates, which receives title to a motor vehicle in the normal course of its business by reason of a lease, foreclosure, repossession, judicial sale or voluntary conveyance or reconveyance of the motor vehicle as a result of any lease of the motor vehicle or any extension of credit secured by the motor vehicle or the enforcement of any lien on the motor vehicle;

d. A licensed auctioneer acting on behalf of a seller, secured party or owner and when title does not pass to the auctioneer and the auction is not for the purpose of avoiding this chapter;

e. An insurance company authorized to do business in Delaware that sells or disposes vehicles under a contract with its insured in the regular course of business;

f. Either a manufacturer or distributor who sells or distributes vehicles to licensed dealers or a person employed by a manufacturer or distributor to promote the sale of the vehicles of the manufacturer or distributor, if that manufacturer, distributor or person does not sell vehicles to retail buyers;

g. A nonprofit educational foundation organized to promote instructional effectiveness and educational achievement.

(4) "Department" shall mean the Department of Transportation, Division of Motor Vehicles.

(5) "Director" shall mean the Director of the Division of Motor Vehicles or the Director's authorized or delegated representative.

(6) "Division" shall mean the Division of Motor Vehicles.

(7) "Franchised Motor Vehicle Dealer" means a dealer in new vehicles that has a franchise agreement with a manufacturer or distributor of vehicles.

(8) "Retail Dealer" means a dealer who may sell vehicles to another dealer, licensed auto auction, or retail customers.

~~(9)(8)~~ "Vehicle" means motor vehicles, trailers, mobile homes, and any other device in, upon or by which any person or property is or may be transported or drawn upon a public highway, excepting devices moved by animal power, human power, off-highway vehicles, special mobile equipment and farm equipment.

~~(10)(9)~~ "Wholesale Dealer" means a dealer who may sell vehicles only to another dealer or licensed auto auction.

Approved June 19, 2013