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DELAWARE STATE SENATE  
152nd GENERAL ASSEMBLY

SENATE SUBSTITUTE NO. 2  
FOR  
SENATE BILL NO. 278

AN ACT TO AMEND TITLES 6 AND 21 OF THE DELAWARE CODE RELATING TO COMMERCE AND TRADE.

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

1           Section 1. Amend Chapter 49, Title 6 of the Delaware Code by making deletions as shown by strike through and  
2 insertions as shown by underline as follows:

3           CHAPTER 49. Motor Vehicle Franchising Practices

4           Amend § 4901 of Chapter 49, Title 6 of the Delaware Code by making deletions as shown by strike through and  
5 insertions as shown by underline, as follows:

6           § 4901. Declaration of purpose.

7           The General Assembly finds and declares that the distribution and sale of vehicles within this State vitally affects  
8 the general economy of the State and the public interest and the public welfare, and that in order to promote the public  
9 interest and the public welfare, and in the exercise of its police power, it is necessary to regulate vehicle manufacturers with  
10 franchise agreements, distributors or wholesalers and factory or distributor representatives, and to regulate franchises issued  
11 by the aforementioned who are doing business in this State in order to prevent frauds, impositions and other abuses upon its  
12 citizens and to protect and preserve the investments and properties of the citizens of this State.

13           Section 2. Amend Chapter 49, Title 6 of the Delaware Code by making deletions as shown by strike through and  
14 insertions as shown by underline as follows:

15           § 4902. Definitions.

16           As used in this chapter:

17           (8) a. "Motor vehicle" means every self-propelled vehicle, regardless of the size or type of motor or source of  
18 power, that is intended primarily for use and operation on the public highways ~~which is self-propelled~~, not including motor

19 homes, motor home products and recreational vehicles, farm tractors and other machines and tools used in the production,  
20 harvesting and care of farm products.

21 b. "New motor vehicle" means a motor vehicle with a manufacturer's certificate of origin that has not been titled or  
22 registered by any state or country in the name of an end user via sale or lease and that has never been the subject of a  
23 completed, successful, or conditional sale that was subsequently approved other than between new motor vehicle dealers, or  
24 between a manufacturer and a new motor vehicle dealer of the same franchise. a vehicle which has been sold to a new  
25 motor vehicle dealer and which has not been used for other than demonstration purposes and on which the original title has  
26 not been issued from the new motor vehicle dealer.

27 (12) "Electric motor vehicle" includes all of the following:

28 a. A plug-in hybrid vehicle, which operates with an internal combustion engine and an electric motor that  
29 can be plugged into an external electric power source to charge the internal battery.

30 b. An all-electric vehicle, which operates solely from an internal electric battery.

31 (13) "Sell," "selling," "sold," "exchange," "retail sales," and "leases" include:

32 a. Accepting a deposit or receiving a payment for the retail purchase, lease, or other use of a motor  
33 vehicle, but does not include facilitating a motor vehicle dealer's acceptance of a deposit or receipt of a payment  
34 from a consumer or receiving payment under a retail installment sale contract.

35 b. Accepting a reservation from a retail consumer for the retail purchase, lease, or other use of a specific  
36 motor vehicle identified by a vehicle identification number or other product identifier.

37 c. Setting the retail price for the purchase, lease, or other use of a motor vehicle, but does not include  
38 setting a manufacturer's suggested retail price.

39 d. Offering or negotiating with a retail consumer terms for the purchase, lease, or other use of a motor  
40 vehicle.

41 e. Offering or negotiating with a retail consumer a value for a motor vehicle being traded in as part of the  
42 purchase, lease, or other use of a motor vehicle, but does not include a website or other means of electronic  
43 communication that identifies to a consumer a conditional trade-in value and that contains language informing the  
44 consumer that the trade-in value is not binding on any motor vehicle dealer.

45 f. Any transaction where the title of a motor vehicle or a used motor vehicle is transferred to a retail  
46 consumer.

47 g. Any retail lease transaction where a retail consumer leases a vehicle for a period of at least 12 months,  
48 but does not include administering lease agreements, taking assignments of leases, performing required actions

49 pursuant to such lease, or receiving payments under a lease agreement that was originated by a motor vehicle  
50 dealer.

51 Section 3. Amend § 4903 of Chapter 49, Title 6 of the Delaware Code by making deletions as shown by strike  
52 through and insertions as shown by underline, and by redesignating as appropriate, as follows:

53 § 4903. Sales incentives; warranty and predelivery obligations to new motor vehicle dealers.

54 (a)(1) Each new motor vehicle manufacturer shall do all of the following:

55 a. Specify in writing to each of its new motor vehicle dealers licensed in this State the dealer's obligations  
56 for predelivery preparation, manufacturer-sponsored maintenance programs, manufacturer extended warranty,  
57 certified pre-owned warranty, manufacturer-issued service contracts, parts exchange programs, recall and warranty  
58 service on its products.

59 b. Compensate the new motor vehicle dealer for such service required of the dealer by the manufacturer.

60 c. Provide the dealer the schedule of compensation to be paid such dealer for parts, work, and service in  
61 connection therewith, and the time allowance for the performance of such work and service.

62 d. Allow at least 180 days for its new motor vehicle dealers to submit claims for reimbursement for such  
63 services required of the dealers by the manufacturer.

64 (b) In no event shall such schedule of compensation for such services identified in subsection (a)(1) of this  
65 section fail to include reasonable compensation for diagnostic work, as well as parts, repair service and labor. Time  
66 allowances for the diagnosis and performance of warranty work and service shall be reasonable and adequate for the work  
67 to be performed. With respect to manufacturer-sponsored maintenance programs, manufacturer extended warranty, certified  
68 pre-owned warranty, manufacturer-issued service contracts, parts exchange programs, recall and warranty parts and  
69 labor warranty reimbursement, reasonable compensation shall not be less than the rate charged by such dealer for like  
70 services to nonwarranty customers for nonwarranty parts, service, and repairs. If a manufacturer furnishes a part or  
71 component to a motor vehicle dealer at no cost or at a reduced cost to use in performing repairs under a recall, campaign  
72 service action, recall or warranty repair, the manufacturer shall compensate the dealer for the part or component in the same  
73 manner as warranty parts compensation under subsection (a)(1) of this section, less the dealer cost for the part or  
74 component as listed in the manufacturer's price schedule.

75 (2) For the purposes of this provision, all of the following parts or types of repairs are excluded from the  
76 calculation:

77 a. Repairs for manufacturer special events and manufacturer discounted service campaigns.

78 b. Parts sold at wholesale or parts discounted by a dealer for repairs made in group fleet, insurance, or  
79 other third-party payer service work or parts used in repairs of government agencies' repairs for which volume  
80 discounts have been negotiated.

81 c. Tires replaced due to normal wear.

82 d. Routine maintenance not covered under any retail customer warranty such as alignments, flushes, oil  
83 changes, brakes, fluids, filters and belts not provided in the course of repairs.

84 e. Engine assemblies and transmission assemblies.

85 f. Vehicle reconditioning.

86 g. Batteries, ~~other than electric vehicle or hybrid vehicle propulsion batteries, and lightbulbs.~~

87 h. Lightbulbs, other than lightbulbs that use light emitting diode technology.

88 ~~h. i.~~ Nuts, bolts, fasteners, and similar items that do not have an individual part number.

89 (d) (1) All claims made by new motor vehicle dealers pursuant to this section for such labor and parts shall be paid  
90 within 30 days following their approval; provided, however, that the manufacturer retains the right to audit such claims and  
91 to charge back the dealer for claims due to fraud, work done unnecessarily, or work not properly performed for a period  
92 of ~~1-year~~ 180 days following payment. All such claims shall be either approved or disapproved within 30 days after their  
93 receipt on forms and in the manner specified by the manufacturer, and any claim not specifically disapproved in writing  
94 within 30 days after the receipt shall be construed to be approved and payment must follow within 30 days. A manufacturer  
95 or distributor shall not deny a claim or reduce the amount to be reimbursed to the dealer as long as the dealer has provided  
96 reasonably sufficient documentation that the dealer did both of the following:

97 a. Made a good faith attempt to perform the work in compliance with the reasonable written policies and  
98 procedures of the manufacturer.

99 b. Actually performed the work.

100 (2) The manufacturer or distributor may not disapprove or charge back a reimbursement claim provided that the  
101 dealer can substantiate the claim either in accordance with the manufacturer's reasonable policies and procedures or by  
102 other reasonable means. A claim may not be denied or charged back due to an administrative error by the dealer as long as  
103 the claim meets the above requirements. The ~~1-year~~ 180-day limitation on the manufacturer's right to audit a claim shall  
104 not be effect in the case of fraudulent claims.

105 (3) Notwithstanding anything in this subsection to the contrary, a manufacturer may not fail to fully compensate a  
106 dealer for warranty or recall work or make any charge back to the dealer's account based on the dealer's failure to comply  
107 with the manufacturer's claim documentation procedures unless both of the following requirements have been met:

108 a. The dealer has, within the previous 12 months, failed to comply with the same specific documentation  
109 procedure.

110 b. The manufacturer has, within the previous 12 months, provided a written warning to the dealer by  
111 certified United States mail, return receipt requested, identifying the specific claim documentation procedure  
112 violated by the dealer.

113 (e) Any audit for sales incentives, service incentives, rebates or other forms of incentive compensation  
114 shall only be for a period of ~~1-year~~ 180 days following the date of the termination of the sales incentives program,  
115 service incentives program, rebate program or other form of incentive compensation program. These limitations  
116 shall not be in effect in the case of fraudulent claims.

117 Section 4. Amend § 4907 of Chapter 49, Title 6 of the Delaware Code by making deletions as shown by strike  
118 through and insertions as shown by underline, as follows:

119 § 4907. Termination, cancellation or nonrenewal of franchise — Compensation by manufacturer.

120 Upon the termination, nonrenewal, discontinuance, or cancellation of any franchise by the manufacturer or by the  
121 new motor vehicle dealer, the new motor vehicle dealership shall be compensated by the manufacturer within 90 days of  
122 receipt of a repurchase request from the dealer as set forth below:

123 (2) The manufacturer shall purchase from the dealer all new, unused, undamaged parts in their original, unbroken  
124 packaging, listed in the current price catalog and acquired from the manufacturer or distributor or from a source approved  
125 or recommended by the manufacturer, at the new motor vehicle dealer price listed in the current price catalog, less  
126 applicable allowances. The manufacturer shall also compensate the dealer for any transporting, handling, packing, storing,  
127 and loading of any returned parts, tools, and equipment. If the above parts are not listed in the current price catalog due to  
128 the manufacturer's or distributor's renumbering of parts or issuance of a superseding part number within the last 3 years,  
129 said parts shall be repurchased by the manufacturer, provided they are new, unused, undamaged parts in their original,  
130 unbroken packaging and are in salable condition;

131 Section 5. Amend § 4913 of Chapter 49, Title 6 of the Delaware Code by making deletions as shown by strike  
132 through and insertions as shown by underline, as follows:

133 (b) It shall be a violation of this chapter for any manufacturer:

134 (7) To ~~unfairly~~ compete with a new motor vehicle dealer in the same line-make operating under an agreement or  
135 franchise from the aforementioned manufacturer in the relevant market area. A manufacturer shall not, however, be deemed  
136 to be competing when operating a dealership either temporarily for a reasonable period, or in a bona fide retail operation  
137 which is for sale to any qualified independent person at a fair and reasonable price, or in a bona fide relationship in which

138 an independent person has made a significant investment subject to loss in the dealership and can reasonably expect to  
139 acquire full ownership of such dealership on reasonable terms and conditions.

140 (16) To fail or refuse, at the written request of the dealer, to accept the return or otherwise fully reimburse a dealer  
141 for the cost of parts, tools, equipment, chargers and other infrastructure required under the franchise agreement, or as a part  
142 of a program, policy or other initiative related to the sale or service of electric motor vehicles, provided that the dealer can  
143 demonstrate that the volume of electric motor vehicle sales or service is inadequate to allow the dealer to realize a  
144 reasonable return on the investments over the useful life of the part, tool, equipment, charger or other infrastructure in  
145 question, and the dealer submits its request to the manufacturer or distributor in writing and within 24 months of the  
146 dealer's receipt of the part, tools, equipment, charger or other infrastructure.

147 (e) If the new motor vehicle dealers of the line-make located in this State are permitted to sell retail customers the  
148 same motor vehicle accessory, option, add-on, feature, improvement, or upgrade for a motor vehicle of the line-make  
149 manufactured, imported, or distributed by the manufacturer or distributor, the manufacturer or distributor may, on the same  
150 terms offered to the dealer, after the date of sale of the motor vehicle by a dealer to a retail customer, also sell to the retail  
151 customer or activate for a fee a permanent or temporary motor vehicle accessory, option, add-on, feature, improvement, or  
152 upgrade for a motor vehicle of a line-make manufactured, imported, or distributed by the manufacturer or distributor;  
153 provided that the accessory, option, add-on, feature, improvement, or upgrade is activated or installed directly on the retail  
154 customer's motor vehicle through remote electronic transmission. If such motor vehicle was sold or leased as new by a  
155 franchised new motor vehicle dealer in this State within the 5-year period preceding such remote electronic transmission,  
156 then the manufacturer or distributor must pay such franchised new motor vehicle dealer a minimum of 8% of the gross  
157 revenue received by the manufacturer, distributor, agent, or common entity for such sale or activation and renewals during  
158 such 5-year period. The manufacturer or distributor must provide each of its franchised dealers with a quarterly statement of  
159 the revenue received by the manufacturer or distributor, its agent, or its common entity during that quarter for such remote  
160 sales or activations and renewals relating to those vehicles sold or leased by the dealer during the 5-year period subsequent  
161 to the sale or lease of the vehicle to the retail customer. When providing a new motor vehicle to a dealer for offer or sale to  
162 the public, the manufacturer or distributor shall provide to the dealer a written disclosure that may be provided to a potential  
163 buyer of the new motor vehicle of each accessory or function of the vehicle that may be initiated, updated, changed, or  
164 maintained by the manufacturer or distributor through over the air or remote means, and the charge to the customer for  
165 initiation, update, change, or maintenance. A manufacturer or distributor may comply with this requirement to provide a  
166 written disclosure by notifying the dealer that the information is available on a website or by other digital means.

167 Section 6. Add a new § 4920 to Chapter 49, Title 6 of the Delaware Code by making the insertions as shown by  
168 underline, as follows:

169 § 4920 Association Standing.

170 (a) In order to prevent injury or harm to all or a substantial number of its members or to the franchise distribution  
171 system of new motor vehicles within this State, any association that has as members at least 30 new motor vehicle dealers  
172 or 6 motorcycle dealers, substantially all of whom are new motor vehicle dealers located within the State, and that  
173 represents the collective interests of its members, has standing to file a petition or a civil action against a manufacturer  
174 regulated under this chapter to enforce the provisions of this chapter in any court of competent jurisdiction for itself, or on  
175 behalf of any or all of its members, seeking declaratory and injunctive relief. Any such association also has standing to  
176 intervene as a party in an action against a manufacturer regulated under this chapter previously filed by an individual  
177 member or members of such association to enforce the provisions of this chapter. This section does not authorize an  
178 association to file a petition, civil action, or administrative proceeding, or to intervene in any civil action or administrative  
179 proceeding, with or against the State, or any of its agencies.

180 (b) An action brought pursuant to this section may seek a determination of whether one or more manufacturers,  
181 factory branches, distributors, or distributor branches doing business in this State have violated any of the provisions of this  
182 chapter, or for the determination of any rights created or defined by this chapter, so long as the association alleges an injury  
183 to the collective interest of its members cognizable under this section.

184 Section 7. Amend § 6301 of Chapter 63, Title 21 of the Delaware Code by making deletions as shown by making  
185 deletions as shown by strike through and insertions as shown by underline, and by redesignating as appropriate, as follows:

186 CHAPTER 63. Sale of Motor Vehicles

187 § 6301. Definitions.

188 As used in this chapter:

189 (2) “Dealer” or “motor vehicle dealer” ~~includes:~~ includes all of the following:

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

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

194 (3) “Dealer” or “motor vehicle dealer” ~~shall does not include:~~ include any of the following:

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

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

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

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

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

207           f. Either a manufacturer or distributor who sells or distributes vehicles to licensed dealers or a person  
208 employed by a manufacturer or distributor to promote the sale of the vehicles of the manufacturer or distributor, if  
209 that manufacturer, ~~distributor~~ distributor, or person does not sell vehicles to retail buyers. A manufacturer or  
210 distributor engaged in selling vehicles to retail buyers may be licensed as a dealer, subject to the limitations set  
211 forth in § 6302(g).

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

214           ( ) "New motor vehicle" means a motor vehicle with a manufacturer's certificate of origin that has not been titled  
215 or registered by any state or country in the name of an end user via sale or lease and that has never been the subject of a  
216 completed, successful, or conditional sale that was subsequently approved other than between new motor vehicle dealers, or  
217 between a manufacturer and a new motor vehicle dealer of the same franchise.

218           ( ) "New motor vehicle dealer" means a dealer or motor vehicle dealer who sells new motor vehicles.

219           ( ) "Used motor vehicle" means a motor vehicle that has been sold, bargained, exchanged, given away, or title  
220 transferred from the person who first acquired it from the manufacturer or importer, dealer or agent of the manufacturer or  
221 importer and so used as to have become what is commonly known as "secondhand" within the ordinary meaning thereof.  
222 "Used motor vehicle" also includes a motor vehicle that has been driven for 7500 miles or more, or that has been used for  
223 personal use by an employee or owner of a new motor vehicle dealer, or by a family member of an employee or owner of a  
224 new motor vehicle dealer, regardless of whether the motor vehicle would otherwise qualify as a new motor vehicle.

225           ( ) "Used motor vehicle dealer" means a dealer or motor vehicle dealer who exclusively sells used motor vehicles.



226 Section 8. Amend § 6302 of Chapter 63, Title 21 of the Delaware Code by making deletions as shown by strike  
227 through and insertions as shown by underline, as follows:

228 (g) Restriction upon ownership of dealership by manufacturer, importer or distributor

229 A manufacturer, importer, or distributor, or agent of a manufacturer, importer, or distributor, or parent, subsidiary,  
230 common entity, officer, or currently employed representative of the manufacturer, importer, or distributor, may not directly  
231 or indirectly own, operate, or control, by contract, agreement, or otherwise, a motor vehicle dealership in this state if the  
232 manufacturer, importer, or distributor has manufactured, imported, or distributed motor vehicles of any line-make which  
233 have been or are offered for sale under a franchise agreement in this state with an independent person. Any person who is  
234 not prohibited by this section from owning, operating, or controlling a motor vehicle dealership may be issued a dealer  
235 license, provided that all applicable licensing requirements are satisfied. Any person prohibited by this section from  
236 owning, operating, or controlling a motor vehicle dealership may not be issued a dealer license.

237 Whenever used in this section, unless the context otherwise requires, the following words and terms have the  
238 following meanings:

239 (1) “Common entity” means a person:

240 a. Who is directly or indirectly controlled by or has more than 30% of its equity interest directly or  
241 indirectly owned, beneficially or of record, through any form of ownership structure, by a manufacturer, an  
242 importer, a distributor, or a licensee, or an affiliate thereof; or

243 b. Who has more than 30% of its equity interest directly or indirectly controlled or owned, beneficially or  
244 of record, through any form of ownership structure, by one or more persons who also directly or indirectly control  
245 or own, beneficially or of record, more than 30% of the equity interests of a manufacturer, an importer, or any  
246 affiliate thereof.

247 (2) “Importer” means any person who imports motor vehicles from a foreign country into the United States or into  
248 this state for the purpose of sale or lease.

249 (3) “Independent person” means a person who is not an agent, a parent, a subsidiary, a common entity, an officer,  
250 a director, or an employed representative of a manufacturer, importer, or distributor.

#### SYNOPSIS

This Act clarifies portions of Chapter 49 of Title 6 and Chapter 63 of Title 21 of the Delaware Code pertaining to motor vehicle dealers. These additions and modifications are intended to further improve our State’s franchise laws and ensure that Delaware consumers have a stable, reliable, convenient, and competitive retail network for automobile sales and service. This Act is an effort to continue to ensure that the relationship between dealers and the manufacturers and distributors is as fair and equitable as possible and provides the highest level of consumer protection. The Act includes the following provisions:

#### Definitions.

The Act amends § 4902 of Title 6 and clarifies the definitions of “motor vehicle” and “new motor vehicle” to reflect technological advances and changes in industry business practices in the state, and adds a definition of “electric motor vehicle”. The Act defines the new terms “sell,” “selling,” “sold,” “exchange,” “retail sales,” and “leases”.

#### Warranty and Predelivery Obligations to New Motor Vehicle Dealers.

Dealers are required by contract to perform warranty work for manufacturers. The Act amends § 4903 of Title 6 in order to ensure that dealers are fairly paid for performing manufacturer-directed repairs related to warranty repairs, maintenance programs and recall work.

#### Intrusive Audits.

Dealers are required by existing law to wait up to 30 days for payment for motor vehicle warranty repairs in order to allow the manufacturer to review and approve payment submissions. Manufacturers are also allowed to later audit such repairs and payments. The Act affords manufacturers a full 6 months to audit warranty claims but will reasonably prevent intrusive and time-consuming audits after 180 days, unless the audit involves cases of alleged fraud.

#### Franchise Termination Compensation.

Under existing law, manufacturers must repurchase certain motor vehicles, parts and special tools in the event of the termination of the dealer’s franchise agreement. The Act amends § 4907 of Title 6 and specifies a 90-day timeframe for payment and clarifies that it is the manufacturer’s responsibility to cover the cost of returns.

#### Return of Unnecessary Tools & Equipment.

The Act allows a dealer a limited opportunity to return and be reimbursed for the cost of certain tools and equipment that were required as a part of an electric vehicle program or agreement between that dealer and the manufacturer, if the dealer determines within two years after receipt that such tools and equipment are unnecessary or that sales volume and utilization are low enough to prevent the dealer from realizing a reasonable return on those forced investments.

#### Failure or Refusal of Manufacturer to Accept Returns.

The Act amends § 4913 of Title 6 by providing that it violates Chapter 49 for a manufacturer to fail or refuse to accept the return or to fully reimburse a dealer for the cost of parts, tools, equipment, chargers and other infrastructure required under the franchise agreement, or as part of a program, policy, or other initiative related to the sale or service of electric motor vehicles.

#### Sale & Subscription of Over-the-Air Features.

The Act allows manufacturers to directly sell options, add-ons, features, improvements and upgrades by remote transmission to consumers, provided that the dealers are afforded an equal opportunity to sell the same products and services, and further provided that the manufacturer reasonably compensates the dealer for direct sales or subscriptions to the dealer’s customers for a specified period of time.

#### Association Standing.

The Act adds a new § 4920 to Title 6 on the subject of Association Standing. Franchise laws have been enacted in all 50 states to recognize compelling state interests in protecting consumers and in regulating the disparity in bargaining power between motor vehicle manufacturers and their franchised dealers. Because dealers have a single source for their new motor vehicles, parts and accessories, many are reluctant to raise a single voice to object to unlawful activity by their manufacturer. The Act grants statutory standing to a large association of dealers to bring a legal action, in very limited circumstances, to ensure compliance with applicable law.

#### Licensing.

The Act amends provisions of §§ 6301 and 6302 of Title 21 of the Delaware Code related to the Sale of Motor Vehicles. The Act adds definitions of “new motor vehicle,” “new motor vehicle dealer,” “used motor vehicle,” and “used motor vehicle dealer” to § 6301. Section 6302 is amended to provide that a manufacturer, importer, or distributor who was licensed as a motor vehicle dealer is not eligible to receive any additional licenses.

The Act is supported by the Delaware Automobile and Truck Dealers’ Association, Inc.

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