

PROPOSED AMENDMENT

HB 1153 # 3

DIGEST

Various changes. Amends the documentation that a dealer must collect from a business that is purchasing a vehicle. Increases the deadline for a transferring party to transfer a certificate of title to the purchaser or a transferee from 31 days to 45 days. Removes the language establishing a process for requesting an extension of the time period that an interim license plate is valid and the deadline for the transfer of a certificate of title. Increases the time period that an interim license plate is valid from 45 days to 60 days. Amends the requirements for a transport operator to file a verified application for a registration number.

- 1 Page 3, delete lines 34 through 42, begin a new line block indented
2 and insert:
3 **"(2) From a business, one (1) of the following:**
4 **(A) The business's federal employer identification number.**
5 **(B) A photocopy or electronic scan of a driver's license,**
6 **identification card, or other government issued**
7 **photographic identification card of an owner, officer, or**
8 **other individual authorized to act on behalf of the business,**
9 **together with the name of the business.**
10 SECTION 3. IC 9-32-4-1, AS AMENDED BY P.L.137-2018,
11 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 JULY 1, 2026]: Sec. 1. (a) As used in this section, "transferring party"
13 has the meaning set forth in IC 9-17-3-0.6.
14 (b) If a motor vehicle or watercraft for which a certificate of title has
15 been issued is sold or if the ownership of the motor vehicle or
16 watercraft is transferred in any manner other than by a transfer on death
17 conveyance under IC 9-17-3-9, in addition to complying with
18 IC 9-17-3-3.4, the transferring party must do the following:
19 (1) In the case of a sale or transfer between dealers licensed by
20 this state or another state **and auctions**, deliver or transmit the
21 certificate of title within thirty-one (31) days after the date of the
22 sale or transfer.
23 (2) Deliver or transmit the certificate of title to the purchaser or
24 transferee within ~~thirty-one (31)~~ **forty-five (45)** days after the

1 date of sale or transfer to the purchaser or transferee of the motor
2 vehicle or watercraft, if all the following conditions exist:

3 (A) The transferring party is a dealer licensed by the state
4 under this article.

5 (B) The dealer is not able to deliver or transmit the certificate
6 of title at the time of sale or transfer.

7 (C) The dealer provides the purchaser or transferee with an
8 affidavit under section 2 of this chapter.

9 (D) The purchaser or transferee has made all agreed upon
10 initial payments for the motor vehicle or watercraft, including
11 delivery of a trade-in motor vehicle or watercraft without
12 hidden or undisclosed statutory liens.

13 (3) Keep proof of delivery or transmission of the certificate of title
14 with the dealer records.

15 (c) A dealer may offer for sale a motor vehicle or watercraft for
16 which the dealer does not possess a certificate of title, if the dealer can
17 comply with subsection (b)(1) or (b)(2) at the time of the sale.

18 (d) A dealer that fails to deliver or transmit the certificate of title
19 within the time specified under subsection (b) is subject to the
20 following civil penalties:

21 (1) One hundred dollars (\$100) for the first violation in a calendar
22 year.

23 (2) Two hundred fifty dollars (\$250) for the second violation in a
24 calendar year.

25 (3) Five hundred dollars (\$500) for all subsequent violations in a
26 calendar year.

27 Payment shall be made to the secretary and deposited in the dealer
28 enforcement account established under IC 9-32-7-2.

29 (e) If a purchaser or transferee does not receive a valid certificate of
30 title within the time specified by this section, the purchaser or
31 transferee has the right to return the motor vehicle or watercraft to the
32 dealer ten (10) days after giving the dealer written notice demanding
33 delivery or transmission of a valid certificate of title and the dealer's
34 failure to deliver or transmit a valid certificate of title within that ten
35 (10) day period. Upon return of the motor vehicle or watercraft to the
36 dealer in the same or similar condition as delivered to the purchaser or
37 transferee under this section, the dealer shall pay to the purchaser or
38 transferee the purchase price plus sales taxes, finance expenses,
39 insurance expenses, and any other amount paid to the dealer by the
40 purchaser or transferee. The relief referenced in this subsection is relief

1 for the purchaser or transferee only and does not preclude the ability of
2 the division to collect civil penalties under subsection (d).

3 (f) For purposes of this subsection, "timely deliver", with respect to
4 a third party, means to deliver or transmit to the purchaser or transferee
5 by postmark dated mail, electronically dated transmission, or by hand
6 delivery not more than ten (10) business days after there is no
7 obligation secured by the motor vehicle or watercraft. If the dealer's
8 inability to timely deliver or transmit a valid certificate of title results
9 from the acts or omissions of a third party that has failed to timely
10 deliver or transmit a valid certificate of title to the dealer, the dealer is
11 entitled to claim against the third party one hundred dollars (\$100). If:

12 (1) the dealer's inability to timely deliver or transmit a valid
13 certificate of title results from the acts or omissions of a third
14 party that has failed to timely deliver or transmit the certificate of
15 title in the third party's possession to the dealer; and

16 (2) the failure continues for ten (10) business days after the dealer
17 gives the third party written notice of the failure;

18 the dealer is entitled to claim against the third party all damages
19 sustained by the dealer in rescinding the dealer's sale with the
20 purchaser or transferee, including the dealer's reasonable attorney's
21 fees.

22 (g) If a motor vehicle or watercraft for which a certificate of title has
23 been issued by another state is sold or delivered, the person selling or
24 delivering the motor vehicle or watercraft shall deliver or transmit to
25 the purchaser or receiver of the motor vehicle or watercraft a proper
26 certificate of title with an assignment of the certificate of title in a form
27 prescribed by the bureau.

28 (h) A dealer shall make payment to a third party to satisfy any
29 obligation secured by the motor vehicle or watercraft sold by or traded
30 to the dealer not later than ten (10) days after the motor vehicle or
31 watercraft is delivered to or sold by the dealer.

32 (i) Except as provided in subsection (j), a person that violates this
33 section commits a Class C infraction.

34 (j) A person that knowingly or intentionally violates subsection
35 (b)(1), (b)(2), or (e) commits a Class B misdemeanor.

36 (k) For purposes of this section, "deliver or transmit the certificate
37 of title" means to deliver or transmit the certificate of title to the
38 purchaser or transferee by postmark dated mail, certified mail with
39 return receipt, electronic transmission through the bureau's file system,
40 or hand delivery.

SECTION 4. IC 9-32-6-11, AS AMENDED BY P.L.20-2022,
SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2026]: Sec. 11. (a) The secretary may issue an interim license
plate to the following persons licensed under this article:

- (1) An automobile auction company.
- (2) A converter manufacturer.
- (3) A new motor vehicle dealer.
- (4) A watercraft dealer.
- (5) A manufacturer.
- (6) A used motor vehicle dealer.

(b) The secretary shall prescribe the form of an interim license plate
issued under this section. An interim license plate must bear the
assigned registration number and provide sufficient space for the
expiration date as provided in subsection (c).

(c) A dealer may provide a person with not more than one (1)
interim license plate issued by the secretary at the time the dealer:

- (1) sells or leases a motor vehicle to the person; or
- (2) allows a person that buys a motor vehicle to take delivery of
the motor vehicle before the sale of the motor vehicle is fully
funded;

whichever occurs first. The dealer shall, in the manner provided by the
secretary, affix on the plate in numerals and letters at least three (3)
inches high the date on which the interim license plate expires.

(d) An interim license plate authorizes a person to operate the motor
vehicle until the earlier of the following dates:

- (1) ~~Forty-five (45)~~ **Sixty (60)** days after the date of sale or lease
of the motor vehicle to the person.
- (2) The date on which a regular license plate is issued.

A person that violates this subsection commits a Class A infraction.

(e) A motor vehicle that is required by law to display license plates
on the front and rear of the motor vehicle is required to display only a
single interim license plate.

(f) An interim license plate shall be displayed:

- (1) in the same manner required in IC 9-18-2-26 (before its
expiration) or IC 9-18.1-4-3; or
- (2) in a location on the left side of a window facing the rear of the
motor vehicle that is clearly visible and unobstructed. The plate
must be affixed to the window of the motor vehicle.

(g) The dealer must provide an ownership document to the person
at the time of issuance of the interim license plate that must be kept in

1 the motor vehicle during the period an interim license plate is used.

2 (h) All interim license plates not issued by the dealer must be
3 retained in the possession of the dealer at all times.

4 (i) The fee for an interim dealer license plate is three dollars (\$3).
5 The fee shall be distributed as follows:

6 (1) Forty percent (40%) to the crossroads 2000 fund established
7 by IC 8-14-10-9.

8 (2) Forty-nine percent (49%) to the dealer compliance account
9 established by IC 9-32-7-1.

10 (3) Eleven percent (11%) to the motor vehicle highway account
11 under IC 8-14-1.

12 (j) The secretary may issue an interim license plate to a person that
13 purchases a motor vehicle from a dealer if the dealer has not timely
14 delivered or transmitted the certificate of title for the motor vehicle
15 under IC 9-32-4-1.

16 (k) The secretary may design and issue to a dealer a motor driven
17 cycle decal to be used in conjunction with an interim license plate upon
18 the sale of a motor driven cycle.

19 (l) A new motor vehicle dealer may issue an interim license plate for
20 use on a new motor vehicle that the new motor vehicle dealer delivers
21 to a purchaser on behalf of a manufacturer or another new motor
22 vehicle dealer if:

23 (1) there is a written courtesy agreement between the new motor
24 vehicle dealer delivering the motor vehicle and the new motor
25 vehicle dealer or manufacturer that sold the motor vehicle being
26 delivered; and

27 (2) the new motor vehicle is transported directly from the
28 manufacturer to the new motor vehicle dealer delivering the new
29 motor vehicle to the purchaser.

30 A person that violates this subsection commits a Class C infraction.

31 (m) A person that fails to display an interim license plate as
32 prescribed in subsection (f)(1) or (f)(2) commits a Class C infraction."

33 Delete pages 4 through 7.

34 Page 8, delete lines 1 through 22.

35 Page 9, delete lines 8 through 10, begin a new paragraph and insert:

36 **"(e) Beginning July 1, 2026, a transport operator must either:**

37 **(1) have an established place of business with a physical**
38 **Indiana address; or**

39 **(2) if the transport operator does not have an established**
40 **place of business in Indiana, provide the secretary with proof**

1 **of the transport operator's valid registration from the United**
2 **States Department of Transportation authorizing the**
3 **transport operator to transport within Indiana;**
4 **to make a verified application under this section."**

5 Renumber all SECTIONS consecutively.

(Reference is to HB 1153 as introduced.)