

SENATE BILL No. 33

AN ACT concerning motor vehicles; relating to the vehicle dealers and manufacturers licensing act; providing for a display show license; allowing for new vehicle dealers and manufacturers to participate in display shows; amending K.S.A. 2020 Supp. 8-2435 and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 2020 Supp. 8-2435 is hereby amended to read as follows: 8-2435. (a)(1) Upon proper application, on a form approved by the division of vehicles, the director of vehicles may authorize the display of new motor vehicles *of a new vehicle dealer* at a location other than the established or supplemental place of business of a motor vehicle dealer provided that the requirements of ~~subsections (i) and (n)~~ of K.S.A. 8-2404, ~~and amendments thereto, (i) and (n)~~ and K.S.A. 8-2405, and amendments thereto, are satisfied by the motor vehicle dealer. A fee in the amount of \$15 shall be paid by an applicant for each application. No sales transactions, *leases or test drives* may occur at such display locations.

(2) (A) *Upon proper application on a form approved by the division of vehicles, the director of vehicles may issue a license known as a temporary display show license to a sponsor of such display show that is responsible for organizing and operating the display show under such terms and conditions as the director may reasonably require. A fee in the amount of \$100 shall be paid by the sponsor applying for each application and each participant displaying vehicles shall pay a fee of \$35 to the sponsor. The sponsor shall remit all fees to the director. New vehicle dealers, first stage manufacturers, second stage manufacturers, first stage converters, second stage converters and distributors may attend and participate in the display of new motor vehicles under this subparagraph and may display vehicles without regard to geographical territorial assignment or relevant market area, as defined in K.S.A. 8-2430, and amendments thereto. New motor vehicle dealers participating in a display show may do so without the approval of any first stage manufacturer, second stage manufacturer, first stage converter, second stage converter or distributor who may not bar or treat such new vehicle dealer adversely for participating in a display show. No sales or lease transactions may occur at a display show, but test drives for purposes other than the sale or lease of a vehicle may be made to demonstrate the vehicle and its features.*

(B) *For purposes of this paragraph, "display show" means a display of new motor vehicles that does not fall under the description set forth in subsection (a)(1) or K.S.A. 8-2444(a), and amendments thereto.*

(b) Authorization granted by the director under ~~this section~~ subsection (a)(1) shall be granted only to motor vehicle dealers licensed by the director and to no other person, natural or otherwise. The authorization shall be for a period not to exceed 15 consecutive days unless otherwise authorized by the director of vehicles. *A sponsor under subsection (a)(2) is not required to be a licensed new vehicle dealer, but participating new vehicle dealers must be licensed motor vehicle dealers or the participant must be a first stage manufacturer, second stage manufacturer, first stage converter second stage converter or distributor for such manufacturers or converter. Such type of participant is not required to be licensed to participate.*

(c) Authorization to display under this section shall not be granted for events for which a temporary trade show license under K.S.A. 2020 Supp. 8-2444, and amendments thereto, would be required.

(d) The director may deny an application for a license under this section if the director:

(1) Has probable cause to believe that the applicant's request for a license should be made under the provisions of K.S.A. 2020 Supp. 8-2444, and amendments thereto; or

(2) the request for a license under this section is being made to avoid

compliance with the provisions of K.S.A. 2020 Supp. 8-2444, and amendments thereto.

(e) The provisions of this section shall be a part of and supplemental to the vehicle dealers and manufacturers licensing act.

Sec. 2. K.S.A. 2020 Supp. 8-2435 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

I hereby certify that the above BILL originated in the SENATE, and passed that body

President of the Senate.

Secretary of the Senate.

Passed the HOUSE _____

Speaker of the House.

Chief Clerk of the House.

APPROVED _____

Governor.