HOUSE BILL NO. 23

Offered January 11, 2006 Prefiled December 5, 2005

A BILL to amend and reenact § 46.2-1550 of the Code of Virginia, relating to use of dealer's license plates.

Patron—Abbitt

Referred to Committee on Transportation

Be it enacted by the General Assembly of Virginia:

1. That § 46.2-1550 of the Code of Virginia is amended and reenacted as follows:

§ 46.2-1550. Use of dealer's license plates, generally.

A. Dealer's license plates may be used on vehicles in the inventory of licensed motor vehicle manufacturers, distributors, and dealers in the Commonwealth when operated on the highways of Virginia by dealers or dealer-operators, their spouses, or employees of manufacturers, distributors, and dealers as permitted in this article. Except as otherwise explicitly permitted in this article, it shall be unlawful for any dealer to cause or permit: (i) use of dealer's license plates on vehicles other than those held in inventory for sale or resale; (ii) dealer's license plates to be lent, leased, rented, or placed at the disposal of any persons other than those permitted by this article to use dealer's license plates; and (iii) use of dealer's license plates on any vehicle of a type for which their use is not authorized by this article. It shall be unlawful for any dealer to cause or permit dealer's license plates to be used on:

- 1. Motor vehicles such as tow trucks, wrecking cranes, or other service motor vehicles;
- 2. Vehicles used to deliver or transport (i) other vehicles; (ii) portions of vehicles; (iii) vehicle components, parts, or accessories; or (iv) fuel;
 - 3. Courtesy vehicles; or
 - 4. Vehicles used in conjunction with any other business.

Nothing in this subsection shall allow a dealer to rent or lease his license plates for the transport of vehicles or portions of vehicles.

- B. A dealer may permit his license plates to be used in the operation of a motor vehicle:
- 1. By any person whom the dealer reasonably believes to be a bona fide prospective purchaser who is either accompanied by a licensed salesperson or has the written permission of the dealer;
- 2. When the plates are being used by a customer on a vehicle owned by the dealer in whose repair shop the customer's vehicle is being repaired; or
- 3. By a person authorized by the dealer on a vehicle that is being driven to or from (i) a point of sale, (ii) an auction, (iii) a repair facility for the purpose of mechanical repairs, painting, or installation of parts or accessories, or (iv) a dealer exchange.

The dealer shall issue to the prospective purchaser, customer whose vehicle is being repaired, or other person authorized under subdivision 3 of this subsection, a certificate on forms provided by the Department, a copy of which shall be retained by the dealer and open at all times to the inspection of the Commissioner or any of the officers or agents of the Department. The certificate shall be in the immediate possession of the person operating or authorized to operate the vehicle. The certificate shall entitle a person to operate with dealer's license plates under (i) subdivision 1 or 2 of this subsection for a specific period of no more than five days or (ii) subdivision 3 of this subsection for no more than twenty-four hours. No more than two certificates may be issued by a dealer to the same person under subdivision 1 or 2 of this subsection for successive periods.