

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact §§ 46.2-1508, 46.2-1545.2, and 46.2-1557.3 of the Code of Virginia,*
3 *relating to transit buses.*

[S 281]

Approved

6 **Be it enacted by the General Assembly of Virginia:**

7 **1. That §§ 46.2-1508, 46.2-1545.2, and 46.2-1557.3 of the Code of Virginia are amended and**
8 **reenacted as follows:**

9 **§ 46.2-1508. Licenses required; penalty.**

10 A. It shall be unlawful for any person to engage in business in the Commonwealth as a motor
11 vehicle dealer or salesperson without first obtaining a license as provided in this chapter. It shall be
12 unlawful for any person to engage in business in the Commonwealth as a manufacturer, factory branch,
13 distributor, distributor branch, or factory or distributor representative without first obtaining a license
14 from the Department. Every person licensed as a manufactured home dealer under Chapter 4.2
15 (§ 36-85.16 et seq.) of Title 36 shall obtain a certificate of dealer registration as provided in this chapter.
16 Every person licensed as a watercraft dealer under Chapter 8 (§ 29.1-800 et seq.) of Title 29.1 and who
17 offers for sale watercraft trailers shall obtain a certificate of dealer registration as provided in this
18 chapter but shall not be required to obtain a dealer license unless he also sells other types of trailers.
19 Any nonprofit organization exempt from taxation under § 501(c)(3) of the Internal Revenue Code, after
20 having obtained a nonprofit organization certificate as provided in this chapter, may consign donated
21 motor vehicles to licensed Virginia motor vehicle dealers. Any person licensed in another state as a
22 motor vehicle dealer may sell motor vehicles at wholesale auctions in the Commonwealth after having
23 obtained a certificate of dealer registration as provided in this chapter. The offering or granting of a
24 motor vehicle dealer franchise in the Commonwealth shall constitute engaging in business in the
25 Commonwealth for purposes of this section, and no new motor vehicle may be sold or offered for sale
26 in the Commonwealth unless the franchisor of motor vehicle dealer franchises for that line-make in the
27 Commonwealth, whether such franchisor is a manufacturer, factory branch, distributor, distributor
28 branch, or otherwise, is licensed under this chapter. In the event a license issued to a franchisor of
29 motor vehicle dealer franchises is suspended, revoked, or not renewed, nothing in this section shall
30 prevent the sale of any new motor vehicle of such franchisor's line-make manufactured in or brought
31 into the Commonwealth for sale prior to the suspension, revocation or expiration of the license.

32 Violation of any provision of this subsection shall constitute a Class 1 misdemeanor, and such
33 violation may also serve as the basis for injunctive relief pursuant to subsection B or C.

34 B. The Board may file a motion with the circuit court for the county or city in which a person who
35 violated any provision of subsection A is located, or with the circuit court for the City of Richmond,
36 and, upon a hearing and for cause shown, the court may grant an injunction restraining such person
37 from violating any provision of subsection A, regardless of whether an adequate remedy at law exists. A
38 single act in violation of the provisions of subsection A is sufficient basis to authorize the issuance of
39 an injunction. The Board shall not be required to post an injunction bond or other security.

40 C. Any licensed motor vehicle dealer who sustains injury or damage to his business or property by
41 reason of a violation of subsection A by any person that is not licensed as required by subsection A
42 may file a motion with the circuit court for the county or city in which a person alleged to have
43 committed such violation is located, and, upon a hearing and for cause shown, the court may grant a
44 temporary or permanent injunction prohibiting any further such violation. A single act in violation of the
45 provisions of subsection A shall be sufficient basis to show injury or damage to the business or property
46 of the licensed motor vehicle dealer. A licensed motor vehicle dealer shall not be required to post an
47 injunction bond or other security.

48 D. If the Board, pursuant to subsection B, or a licensed motor vehicle dealer, pursuant to subsection
49 C, is awarded an injunction, the court may also award reasonable attorney fees and costs.

50 E. Notwithstanding the provisions of subsection A, a manufacturer, factory branch, distributor,
51 distributor branch, or factory or distributor representative engaged in the manufacture or distribution of
52 all-terrain vehicles or off-road motorcycles that does not also manufacture or distribute in the
53 Commonwealth any motorcycle designed for lawful use on the public highways shall not be required to
54 obtain a license from the Department.

55 F. *Notwithstanding the provisions of subsection A, any manufacturer or distributor of transit buses*
56 *that sells transit buses to a local government authority or nonprofit provider in the Commonwealth for*

57 *the purposes of public transportation, as defined in 49 U.S.C. § 5302, shall not be required to obtain a*
58 *manufacturers license from the Department of Motor Vehicles or a dealers license from the Motor*
59 *Vehicle Dealer Board for such sales. For purposes of this subsection, "transit bus" means a rubber-tired*
60 *automotive vehicle used for the provision of public transportation service by or for a recipient of federal*
61 *or state funding allocated annually by the Commonwealth Transportation Board.*

62 **§ 46.2-1545.2. Exclusion of transit buses, all-terrain vehicles, and off-road motorcycles.**

63 *Nothing in this article shall apply to transit buses as defined in subsection F of § 46.2-1508,*
64 *all-terrain vehicles, or off-road motorcycles.*

65 **§ 46.2-1557.3. Exclusion of transit buses, all-terrain vehicles, and off-road motorcycles.**

66 *Nothing in this article shall apply to transit buses as defined in subsection F of § 46.2-1508,*
67 *all-terrain vehicles, or off-road motorcycles.*