

CHAPTER 84**(HB 217)**

AN ACT relating to location of car dealerships.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

➔SECTION 1. A NEW SECTION OF KRS CHAPTER 190 IS CREATED TO READ AS FOLLOWS:

- (1) *Except as provided in subsections (2) and (3) of this section, if a dealer licensed under this chapter has its franchise revoked by the manufacturer on or after January 1, 2009, for grounds other than those provided in KRS Chapter 190, the commission shall not grant a new motor vehicle dealer license establishing a new motor vehicle dealership, or relocating an existing new motor vehicle dealership, within a ten (10) mile radius of a location at which a former licensed new motor vehicle dealer for the same line make of new motor vehicles had its franchise revoked.*
- (2) *If the manufacturer can show proof that the franchise was offered to the original franchisee at substantially similar terms as offered to other potential buyers, and the original franchisee refused the offer, then the prohibition in subsection (1) of this section shall not apply and the commission may grant a new motor vehicle dealer license within the ten (10) mile radius described in subsection (1) of this section.*
- (3) *The prohibition against granting a new motor vehicle dealer license outlined in subsection (1) of this section shall remain in effect for ten (10) years from the date of revocation of the original franchise by the manufacturer.*

Signed by Governor April 8, 2010.