

SENATE BILL 3593
By Haynes

AN ACT to amend Tennessee Code Annotated, Title 55,
Chapter 17, Part 1, relative to dealers of used
cars.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 55-17-114, is amended by adding a
new subsection thereto, as follows:

(e)

(1) In addition to the grounds contained in subsections (a) and (b), the
commission may deny an application for a license, or revoke or suspend the
license, of a motor vehicle dealer after it has been issued upon a finding that
such motor vehicle dealer operates a place of business licensed pursuant to §
55-17-102 to sell used cars that is located within one (1) mile of another such
business operation that sells used cars.

(2) A motor vehicle dealer who establishes a place of business licensed
pursuant to § 55-17-102 within one (1) mile of another such business operation
shall be in violation of this subsection.

(3) The provisions of this subsection shall only apply to businesses with
more than eighty percent (80%) of their inventory comprised of used cars.

(4) The provisions of this subsection shall not apply to any business
licensed pursuant to § 55-17-102 to sell used cars upon the effective date of this
act. Provided, upon the leasing or transfer of ownership of the business
operations, the provisions of this subsection shall be applicable to such business.

SECTION 2. This act shall take effect July 1, 2006, the public welfare requiring it.