

SENATE COMMITTEE AMENDMENTS

Amendments proposed by Senate Committee on Commerce, Consumer Protection and International Affairs to Original Senate Bill No. 175 by Senator Appel

1 AMENDMENT NO. 1

2 On page 1, line 2, after "To" insert "amend and reenact R.S. 32:1268(A)(1)(a)(introductory
3 paragraph) and (c), (2) and (B), and to"

4 AMENDMENT NO. 2

5 On page 1, line 3, after "commission;" insert "to provide for repurchase of certain tools and
6 equipment;"

7 AMENDMENT NO. 3

8 On page 1, line 7, after "Section 1." insert "R.S. 32:1268(A)(1)(a)(introductory paragraph)
9 and (c), (2) and (B) are hereby amended and reenacted and"

10 AMENDMENT NO. 4

11 On page 2, line 1, before "**presumed**" insert "**rebuttably**"

12 AMENDMENT NO. 5

13 On page 2, line 2, change "**citizen**" to "**resident**"

14 AMENDMENT NO. 6

15 On page 2, after line 4, insert the following:

16 "§1268. Requirements upon termination; penalty; indemnity

17 A.(1) In the event the licensee ceases to engage in the business of being a
18 motor vehicle, recreational products, or specialty vehicle dealer, or ceases to sell a
19 particular make of motor vehicle, recreational product, or specialty vehicle and after
20 notice to the manufacturer, converter, distributor, or representative by certified mail
21 or commercial delivery service with verification of receipt, within thirty days of the
22 receipt of the notice by the manufacturer, converter, distributor, or representative, the
23 manufacturer, converter, distributor, or representative shall repurchase:

24 (a) All new motor vehicle, recreational product, and specialty vehicles of the
25 current and last prior model year delivered to the licensee and parts on hand
26 **purchased in the ordinary course of business** that have not been damaged or
27 substantially altered to the prejudice of the manufacturer while in the possession of
28 the licensee. As to recreational products dealers, the repurchase of parts shall be
29 limited to those listed in the manufacturer's price book. The motor vehicle,
30 recreational product, and specialty vehicles and parts shall be repurchased at the cost
31 to the licensee which shall include without limitation freight and advertising costs,
32 less all allowances paid to the dealer, except that new automobiles shall be purchased
33 on the schedule as follows:

34 * * *

35 (c) At fair market value, all special tools and automotive service equipment
36 owned by the dealer which were recommended in writing and designated as special
37 tools and equipment and purchased **in the ordinary course of business** from or
38 ~~purchased~~ at the request of the manufacturer, converter, distributor, or representative,
39 if the tools and equipment are in usable and good condition except for reasonable
40 wear and tear. Fair market value shall be no less than cost of acquisition of special
41 tools and automotive service equipment by the dealer.

42 * * *

1 (2) The manufacturer or converter shall make the required repurchase after
2 the dealer terminates his franchise **as follows:**

3 (a) **Within** ~~and within~~ thirty days for motor and ~~speciality~~ **specialty** vehicle
4 dealers and sixty days for recreational products dealers of the submission to it, by
5 certified mail, return receipt requested, or commercial delivery service with
6 verification of receipt, of a final inventory of motor vehicles, and parts, **special tools,**
7 **and automotive service equipment** on hand.

8 (b) **For motor vehicle dealers, after tender of the parts and special tools**
9 **and automotive service equipment to the manufacturer.**

10 B. Failure to make such repurchase without just cause shall subject the
11 manufacturer or converter to a penalty of one and one-half percent per month, or
12 fraction thereof, of the inventory value or returnable recreational product, ~~speciality~~
13 **specialty** and motor vehicles, and parts, signs, special tools, and automotive service
14 equipment, payable to the dealer, as long as the repurchase is not made.

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