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DIGEST

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Gary Smith

SB No. 318

Present law provides that it is a violation of law for a manufacturer, a distributor, a wholesaler, distributor branch, factory branch, converter or officer, agent, or other representative thereof to operate a satellite warranty and repair center, to authorize a person to perform warranty repairs who is not a motor vehicle dealer, or to authorize a motor vehicle dealer to operate a satellite warranty and repair center within the community or territory of a same-line or make motor vehicle dealer. Present law makes an exemption for recreational product manufacturer.

Proposed law retains present law and adds two exemptions as follows:

- (1) Emergency service of a vehicle.
- (2) A fleet owner or governmental entity that is authorized to perform warranty repairs on vehicles with a gross vehicle weight rating of 12,000 pounds or more, vehicles designed for the movement of property, freight, or goods in intrastate or interstate commerce, and vehicles designed for use in utility installation, maintenance, and repair owned or leased by a fleet owner or governmental entity as defined in proposed law.

Proposed law provides the dealer that sold vehicles with a gross vehicle weight rating of 12,000 pounds or more, vehicles designed for the movement of property, freight, or goods in intrastate or interstate commerce, and vehicles designed for use in utility installation, maintenance, to the fleet owner or governmental entity may and a manufacturer that authorized the fleet owner or governmental entity to perform warranty repairs on the vehicles with a gross vehicle weight rating of 12,000 pounds or more, vehicles designed for the movement of property, freight, or goods in intrastate or interstate commerce, and vehicles designed for use in utility installation, and maintenance, shall give notification of the authorization to the dealer located in the same community or territory where the fleet owner or governmental entity intends to perform the authorized warranty repairs. The notification shall include the type of warranty repairs authorized by the manufacturer.

Proposed law provides that a fleet owner or governmental entity performing warranty repairs to vehicles with a gross vehicle weight rating of 12,000 pounds or more, vehicles designed for the movement of property, freight, or goods in intrastate or interstate commerce, and vehicles designed for use in utility installation, maintenance, owned or leased by the fleet owner or governmental entity shall meet the same requirements for special tools, equipment, and technician certification that are required of a franchise dealer that is authorized to make the same warranty repairs on the same makes and models of vehicles being repaired by a fleet owner or governmental entity.

Proposed law provides that a fleet owner or governmental entity authorized to perform warranty repairs to vehicles with a gross vehicle weight rating of 12,000 pounds or more, vehicles designed for the movement of property, freight, or goods in intrastate or interstate commerce, and vehicles designed for use in utility installation, maintenance, owned or leased by the fleet owner or governmental entity shall not make repairs to the internal drive train or the after-treatment exhaust system of such vehicles.

Proposed law defines "fleet owner or governmental entity" for purposes of proposed law to mean a person who or unit of government that owns or leases for its own use or a renting or leasing company that rents to a third party ten or more vehicles with a gross vehicle weight rating of 12,000 pounds or more, vehicles designed for the movement of property, freight, or goods in intrastate or interstate commerce, and vehicles designed for use in utility installation, maintenance.

Effective August 1, 2014.

(Amends R.S. 32:1261(A)(1)(t))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Commerce, Consumer Protection, and International Affairs to the original bill

1. Changes the exemption for vehicles from emergency service of motor vehicles with certain characteristics to emergency service of a vehicle.
2. Requires notification by the selling dealer or the fleet owner or governmental entity to do so and the program information by manufacturer shall be given to such dealer located in the same community or territory of the fleet owner or governmental entity.
3. Removes the provision that requires warranty repairs to meet the same requirements for facilities as are required for a franchise dealer.
4. Adds that warranty repairs shall meet the same requirements for special tools and equipment required for the makes and models being repaired as are required for a franchise dealer.
5. Limits the types of repairs that can be made on vehicles owned or leased by a fleet owner or governmental entity.

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Commerce to the engrossed bill.

1. Added vehicles designed for the movement of property, freight, or goods in intrastate or interstate commerce and vehicles designed for use in utility installation, maintenance, and repair to the exemption provided for fleet owners or governmental entities.
2. Removed that notification by the selling dealer or the fleet owner or governmental entity to do so and the program information by manufacturer shall be given to such dealer located in the same community or territory of the fleet owner or governmental entity.
3. Provided that a fleet owner or governmental entity performing warranty repairs to vehicles with a gross vehicle weight rating of 12,000 pounds or more, vehicles designed for the movement of property, freight, or goods in intrastate or interstate commerce, and vehicles designed for use in utility installation, maintenance, owned or leased by the fleet owner or governmental entity shall meet the same requirements for special tools, equipment, and technician certification that are required of a franchise dealer that is authorized to make the same warranty repairs on the same makes and models of vehicles being repaired by a fleet owner or governmental entity.
4. Provided that a fleet owner or governmental entity authorized to perform warranty repairs to vehicles with a gross vehicle weight rating of 12,000 pounds or more, vehicles designed for the movement of property, freight, or goods in intrastate or interstate commerce, and vehicles designed for use in utility installation, maintenance, owned or leased by the fleet owner or governmental entity shall not make repairs to the internal drive train or the after-treatment exhaust system of such vehicles.
5. Changed the definition of "fleet owner or governmental entity" for purposes of proposed law to mean a person or unit of government that owns or leases for its

own use or a renting or leasing company that rents to a third party 10 or more vehicles designed for the movement of property, freight, or goods in intrastate or interstate commerce and vehicles designed for use in utility installation, maintenance.

6. Rephrased the requirement in proposed law that would require a fleet owner or governmental entity performing warranty repairs to meet the same requirements for special tools, equipment, and technician certification that are required of a franchise dealer that is authorized to make the same warranty repairs on the same makes and models of vehicles being repaired by a fleet owner or governmental entity.