

2021 Regular Session

HOUSE BILL NO. 649

BY REPRESENTATIVES MCFARLAND AND THOMPSON

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

AGRICULTURE: Provides relative to the repurchase of certain mechanical equipment by a wholesaler

1 AN ACT

2 To amend and reenact R.S. 51:481(A) and (B)(1) and 483(A)(1), relative to the repurchase
3 of certain mechanical equipment by a wholesaler, manufacturer, or distributor; to
4 provide for applicability; to include partnerships, limited liability companies, and
5 other business entities as pertinent parties; to provide for definitions; to provide for
6 violations; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 51:481(A) and (B)(1) and 483(A)(1) are hereby amended and
9 reenacted to read as follows:

10 §481. Applicability of Part

11 A. The provisions of this Part shall apply to written contracts or oral
12 agreements of definite or indefinite duration between any person, firm ~~or~~,
13 corporation, partnership, limited liability company, or other business entity engaged
14 in the business of selling, distributing, or retailing farm, construction, forestry, heavy
15 industrial material handling, utility and lawn and garden equipment, engines,
16 implements, machinery, attachments, and repair parts for such equipment and any
17 wholesaler, manufacturer, or distributor of such equipment and repair parts, whereby
18 the retailer agrees with the wholesaler, manufacturer, or distributor to maintain a
19 stock of such parts, or complete equipment or machines, or attachments. Any
20 successor in interest of the manufacturer, wholesaler, or distributor shall include any

1 purchaser of assets or stock, any surviving corporation or other business entity
2 resulting from merger or liquidation, any receiver or assignee, or any trustee of the
3 original equipment manufacturer, wholesaler, or distributor.

4 B. For the purposes of this Part, the following words and phrases shall have
5 the following meanings:

6 (1) "Agent" shall mean any manufacturer, wholesaler, or wholesale
7 distributor, any purchaser of assets or stock of any surviving corporation or other
8 business entity resulting from a merger or liquidation, any receiver or assignee, or
9 any trustee of the original equipment manufacturer, wholesaler, or distributor.

10 * * *

11 §483. Violations; civil remedies

12 A. It shall be a violation of this Part for an agent to:

13 (1) Coerce any dealers to accept delivery of equipment parts or accessories
14 which the dealer has not ordered voluntarily, or to seek payment for any such
15 equipment parts or accessories, or their return.

16 * * *

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 649 Reengrossed

2021 Regular Session

McFarland

Abstract: In laws relative to repurchase of certain mechanical equipment by wholesalers, adds partnerships, limited liability companies, and other business as parties; modifies the definition of agent; and adds additional actions by agents as violations.

Present law provides that present law shall apply to contracts or oral agreements between any person, firm or corporation engaged in the business of selling, distributing, or retailing farm, construction, forestry, heavy industrial material handling and other such equipment and a wholesaler of such equipment, where the retailer agrees with the wholesaler to maintain a stock of such parts.

Present law includes any purchaser of stocks, any surviving corporation resulting from merger, any receiver or assignee, or any trustee of the original equipment manufacturer, wholesaler, or distributor as a successor of the manufacturer, wholesaler, or distributor.

Proposed law retains present law and adds partnership, limited liability company, or other business entity to the list of parties to the contract and successors to the manufacturer, wholesaler, or distributor.

Present law defines "agent" as any manufacturer, wholesaler or wholesale distributor, any purchaser of assets or stock of any surviving corporation resulting from a merger or liquidation, any receiver or assignee, or any trustee of the original equipment manufacturer, wholesaler or distributor.

Proposed law retains present law and adds other business entity as a successor.

Present law provides that it is a violation of present law to coerce a dealer to accept delivery of equipment parts or accessories which the dealer has not voluntarily ordered.

Proposed law retains present law and adds that it is also a violation to seek payment for any such equipment parts or accessories, or their return.

(Amends R.S. 51:481(A) and (B) and 483(A)(1))

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Make technical changes.