

2023 Regular Session

HOUSE BILL NO. 481

BY REPRESENTATIVE PRESSLY

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

MOTOR VEHICLES: Provides relative to certain unauthorized acts of motor vehicle manufacturers, distributors, wholesalers, distributor branches, and converters

1 AN ACT

2 To amend and reenact R.S. 32:1261(A)(1)(p) and (q) and to enact R.S. 32:1261(A)(1)(z),  
3 relative to unauthorized acts in the distribution and sale of motor vehicles; to specify  
4 what constitutes an unauthorized act related to discrimination against vehicle dealers  
5 in incentive programs and sales promotion plans; to make it an unauthorized act to  
6 designate a motor vehicle dealer as a delivery agent for new motor vehicles under  
7 certain circumstances; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 32:1261(A)(1)(p) and (q) are hereby amended and reenacted and R.S.  
10 32:1261(A)(1)(z) is hereby enacted to read as follows:

11 §1261. Unauthorized Acts

12 A. It shall be a violation of this Chapter:

13 (1) For a manufacturer, a distributor, a wholesaler, distributor branch, factory  
14 branch, converter or officer, or other representative thereof:

15 \* \* \*

16 (p)(i) ~~To unreasonably discriminate among competing, similarly situated,~~  
17 ~~same-line make dealers in the sales of vehicles, in the availability of such vehicles,~~  
18 ~~in the terms of incentive programs or sales promotion plans, or in other similar~~  
19 ~~programs.~~ To refuse to offer or make available to all same-line make dealers all  
20 makes and models, including those that may contain a separate badge or label

1 indicating an upgraded version and regardless of whether the vehicle contains an  
2 internal combustion engine or is considered a hybrid, electric vehicle or any other  
3 means of propulsion.

4 (ii) To unreasonably discriminate among competing dealers with respect to  
5 the availability of vehicles, in the terms of incentive programs or sales promotion  
6 plans, or in other similar programs, and to put unreasonable time limits on when a  
7 dealer must sign up for a sale, incentive, or new model program, whether voluntary  
8 or otherwise, and whether or not the manufacturer, distributor, wholesaler, distributor  
9 branch or factory branch or representative thereof alleges the creation of a new line-  
10 make or model.

11 (q)(i) To terminate, cancel or refuse to continue any franchise agreement  
12 based upon the fact that the motor vehicle dealer owns, has an investment in,  
13 participates in the management, or holds a franchise agreement for the sale or service  
14 of another make or line of new motor vehicles at a different dealership location, or  
15 intends to or has established another make or line of new motor vehicles in the same  
16 dealership facilities of the manufacturer or distributor.

17 (ii) To withhold any makes and models from franchisees within a line-make  
18 and to unreasonably discriminate among competing franchised dealers with respect  
19 to the availability of vehicles, in the terms of incentive programs or sales promotion  
20 plans, or in other similar programs based upon the fact that the franchised motor  
21 vehicle dealer owns, has an investment in, participates in the management of, or  
22 holds a franchise agreement for the sale or service of another make or line of new  
23 motor vehicles at a different dealership location, or intends to or has established  
24 another make or line of new motor vehicles in the same dealership facilities of the  
25 manufacturer or distributor.

26 \* \* \*

27 (z) To designate a motor vehicle dealer as a delivery agent for new motor  
28 vehicles when the sale of such vehicles was negotiated directly between the  
29 manufacturer and the ultimate purchaser of the new motor vehicles, or for a

