

Regular Session, 2013

SENATE BILL NO. 23

BY SENATOR PEACOCK

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

MOTOR VEHICLES. Provides relative to new or relocated motorcycle or all-terrain vehicle dealerships. (8/1/13)

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AN ACT

To amend and reenact R.S. 32:1252(7) and 1270.10(A) and (B), relative to motorcycles and all-terrain vehicles; to provide for the area of responsibility for motorcycles and all-terrain vehicles; to notify certain existing motorcycle and all-terrain dealerships of any proposed new motorcycle or all-terrain vehicle dealerships or the relocation of a dealership; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 32:1252(7) and 1270.10(A) and (B) are hereby amended and reenacted to read as follows:

§1252. Definitions

The following words, terms, and phrases, when used in this Chapter, shall have the meanings respectively ascribed to them in this Section, except where the context clearly indicates a different meaning:

* * *

(7) "Community or territory" or "area of responsibility" shall mean the licensee's area of principal sales and service responsibility as specified by the franchise in effect with any licensee of the commission.

1 (a) The area of responsibility of a licensee shall not be comprised of an area
2 less than the applicable area provided for in ~~Subparagraphs~~ **Subparagraph** (b) and
3 ~~(c)~~ of this Paragraph, unless approved by the commission pursuant to the provisions
4 of this Chapter, or if, on August 15, 2001, such dealer had an effective contractual
5 agreement for a smaller area of responsibility.

6 (b) A marine dealer's area of responsibility shall mean the marine dealer's
7 area of principal sales and service responsibility as specified by the contract,
8 franchise, or selling agreement in effect with the manufacturer or distributor. The
9 marine manufacturer or distributor shall designate and provide to the commission in
10 writing the marine dealer's area of responsibility when the contract is granted or,
11 should there be contracts in existence on August 15, 2004, without such designation,
12 the commission shall require the manufacturer or distributor to designate the area of
13 responsibility. The manufacturer or distributor shall adopt uniform procedures to
14 establish the area of responsibility that is assigned to a marine dealer. The uniform
15 procedures shall include market research information from identified credible
16 industry sources that project product sales of the brand of marine product for which
17 the contract or franchise agreement is granted. In the absence of such designation by
18 the manufacturer or distributor, or in the event that the area of responsibility
19 designated by the manufacturer or distributor is rejected by the commission and such
20 decision by the commission is affirmed on appeal, the marine dealer's area of
21 responsibility shall mean either of the following:

22 (i) The area within a fifteen-mile radius of the dealership if the dealership is
23 located in a parish containing a population of three hundred thousand persons or
24 more.

25 (ii) The area within a thirty-mile radius of the dealership if the dealership is
26 located in a parish containing a population of less than three hundred thousand
27 persons.

28 ~~(c) A motorcycle or all-terrain vehicle dealer's area of responsibility shall~~
29 ~~mean the area within at least a thirty-mile radius of the location of his dealership.~~

1 * * *

2 §1270.10. Establishment of new motorcycle or all-terrain vehicle dealerships or
3 relocations; protests; procedure

4 A. Whenever the commission receives an application for a recreational
5 products dealer's license which would add a new motorcycle or all-terrain vehicle
6 dealership, it shall first notify the existing licensed motorcycle or all-terrain vehicle
7 dealership or dealerships selling the same-line makes, models, or classifications if
8 ~~the new dealership's proposed location is within the existing dealer's area of~~
9 ~~responsibility~~ **within a thirty-mile radius of the proposed dealership, and the**
10 **notified dealers.** ~~Any same-line makes, models, or classifications dealership whose~~
11 ~~area of responsibility includes the location of the proposed new motorcycle or all-~~
12 ~~terrain vehicle dealership may object to the granting of the license.~~

13 B. Whenever the commission receives an application for a recreation
14 products dealer's license which would relocate an existing motorcycle or all-terrain
15 vehicle dealership, it shall first notify any existing licensed motorcycle or all-terrain
16 vehicle dealership selling the same-line makes, models, or classifications if ~~the~~
17 ~~dealership's proposed new location is within the existing dealer's area of~~
18 ~~responsibility~~ **within a thirty-mile radius of the proposed relocation address of**
19 **a dealership.** Any existing same-line makes, models, or classifications dealership
20 shall have the right to object to the granting of the license only if the proposed
21 relocation is within a radius of seven miles of its facility. However, without regard
22 to distance, whenever the commission receives an application for the relocation of
23 a motorcycle or all-terrain vehicle dealership which would add an additional
24 franchise to an existing same-line makes, models, or classifications dealership's area
25 of responsibility, the affected motorcycle or all-terrain vehicle dealership shall have
26 the right to object.

27 * * *

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Michelle Ducharme.

DIGEST

Present law defines the term "community or territory" or "area of responsibility".

Proposed law removes from the definition of "community or territory" or "area of responsibility" the requirement that the area of responsibility for a motorcycle or all-terrain vehicle dealership be an area within at least a thirty-mile radius of the location of his dealership.

Present law requires the Louisiana Motor Vehicle Commission (commission) to notify existing licensed motorcycle or all-terrain vehicle dealership or dealerships selling the same-line makes, models, or classifications if a new dealership or relocation of an existing dealership is within the existing dealer's area of responsibility.

Proposed law changes criteria to determine which existing dealership or dealerships the commission must notify if a new dealership or if an existing dealership relocates in a particular area. The new criteria will be based on a thirty-mile radius of the proposed new dealership or the proposed relocation address of a dealership.

Effective August 1, 2013.

(Amends R.S. 32:1252(7) and 1270.10(A) and (B))