

## RÉSUMÉ DIGEST

ACT 530 (SB 158)

2016 Regular Session

Cortez

Prior law defined "marine product" as a new or used watercraft, boat, or motor designed for recreational or commercial use on water and a boat or watercraft trailer. The term also included an outboard motor or a boat with an inboard/outboard motor attached to it. The term shall not mean a watercraft designed for use primarily for commercial purposes or new or used watercraft or boats adapted to be powered only by occupant's energy.

New law revises definition to exclude a marine motor designed primarily for recreational or commercial use on water and otherwise retains prior law.

Prior law created the La. Motor Vehicle Commission in the office of the governor composed of 18 members appointed by the governor. Required the commission to be appointed at large. Required 14 commission members to be appointed so at least one, but no more than two, are appointed from each commission district.

New law removes prohibition of appointment of no more than two members from a commission district.

Prior law provided that it is a violation of law for a manufacturer, distributor, wholesaler, distributor branch, factory branch, converter or officer, agent, or other representative, to sell or offer to sell a new or unused motor vehicle or recreational product directly to a consumer except as provided by prior law, or to compete with a licensee in the same-line makes, models, or classifications operating under an agreement or franchise from a manufacturer provided that a manufacturer is not deemed to be competing under certain conditions.

New law removes "recreational product" from prior law prohibition.

Prior law provided that it is a violation of law for a manufacturer, distributor, a wholesale, distributor branch, or factory branch of marine products or any officer, agent, or other representative thereof to sell or offer to sell a new or unused marine product directly to a consumer except as provided in prior law or to compete with a licensee in the same-line makes, models, or classifications operating under an agreement from a manufacturer.

Provided exceptions prohibition to competing with a licensee as follows:

- (1) Operating a marine dealership temporarily for a reasonable period, not to exceed two years.
- (2) Operating a bona fide retail marine dealership that is for sale to a qualified independent person at a fair and reasonable price, not to exceed two years.
- (3) Operating in a bona fide relationship in which a person independent of a manufacturer has made a significant investment subject to loss in the marine dealership, and can reasonably expect to acquire full ownership of such dealership on reasonable terms and conditions.

Required the commission, that upon meeting conditions (1) and (2) above, to allow the manufacturer to compete with licensees of the same-line makes, models, or classifications under an agreement from the manufacturer for longer than two years when, in the discretion of the commission, if it best serves the best interest of the manufacturer, consuming public, and licensees.

New law removes provisions of prior law and exceptions relative to competing with a licensee operating under an agreement with a manufacturer.

Effective August 1, 2016.

(Amends R.S. 32:1252(27), 1253(A)(1)(intro para), 1261(A)(1)(k)(i)(intro para), and 1270.1(1)(i))