SENATE COMMITTEE AMENDMENTS

2021 Regular Session

Amendments proposed by Senate Committee on Commerce, Consumer Protection and International Affairs to Reengrossed House Bill No. 502 by Representative Stefanski

- 1 AMENDMENT NO. 1
- 2 On page 1, line 19, after "the vehicle" delete the comma ","
- 3 AMENDMENT NO. 2
- 4 On page 2, delete lines 10 through 16 and insert:
- "(f) "Warranty work" means work, including diagnostic labor, performed by a dealer in order to fulfill the obligations of a manufacturer, distributor, wholesaler, factory branch, or distributor branch's warranty. "Warranty work" shall also include work arranged to be performed by a dealer if such work is authorized by the manufacturer, distributor, wholesaler, factory branch, or distributor branch in order to fulfill the obligations of a manufacturer, distributor, wholesaler, factory branch, or distributor branch's warranty."
- 12 AMENDMENT NO. 3
- On page 2, line 18, after "distributor branch" insert ","
- 14 AMENDMENT NO. 4
- On page 2, line 20, delete "reasonable"
- 16 AMENDMENT NO. 5
- On page 2, line 22, after "work" and before the period "." insert "and the delivery and
- preparation obligations imposed on the dealer by a manufacturer, distributor, wholesaler,
- 19 factory branch, or distributor branch"
- 20 <u>AMENDMENT NO. 6</u>
- 21 On page 2, line 24, after "a dealer" delete the remainder of the line and delete line 25 and
- 22 insert:
- "for warranty work that is less than that the rates charged by the dealer to the retail"
- 24 AMENDMENT NO. 7
- 25 On page 2, line 26, after "qualifying" delete "as" and on line 27, change "work of like kind."
- 26 to "work of like kind repairs."
- 27 AMENDMENT NO. 8
- On page 3, line 16, change "qualified" to "qualifying"
- 29 AMENDMENT NO. 9
- 30 On page 3, line 18, change "qualified" to "qualifying"
- 31 AMENDMENT NO. 10
- 32 On page 4, line 1, delete "rate"

- 1 AMENDMENT NO. 11
- 2 On page 4, line 13, change "tires," to "tires or"
- 3 AMENDMENT NO. 12
- 4 On page 4, delete lines 18 and 19 and insert:
- 5 "government agencies, insurers, or service contract providers."
- 6 AMENDMENT NO. 13
- 7 On page 4, between lines 24 and 25 insert:
- 8 "(m) Body shop repairs of conditions caused by collision, road hazard, the force of
 9 the elements, vandalism, theft, or owner, operator, or third party negligence or
 10 deliberate act."
- 11 AMENDMENT NO. 14

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- On page 4, delete lines 25 through 29 and on page 5, delete lines 1 through 9 and insert:
 - "(9)(a) The submitted parts mark-up or labor rate shall be presumed accurate, and shall go into effect forty-five days after the manufacturer, distributor, wholesaler, factory branch, or distributor branch receives the submission unless, within the forty-five day period, the manufacturer, distributor, wholesaler, factory branch, or distributor branch rebuts the presumption.
 - (b) If the manufacturer, distributor, wholesaler, factory branch, or distributor branch determines from any set of qualifying repair orders submitted by the dealer that the parts mark-up, labor rate, or both, calculated in accordance with the provisions of this Subsection, is substantially higher or lower than the rate currently on record with the manufacturer, distributor, wholesaler, factory branch, or distributor branch for labor, parts, or if applicable, both, the manufacturer, distributor, wholesaler, factory branch, or distributor branch may request in writing within forty-five days of receipt of the submitted parts mark-up or labor rate additional repair orders for a period of either thirty days prior to or thirty days subsequent to the time for which the repair orders were submitted for purposes of establishing or modifying a rate. The manufacturer, distributor, wholesaler, factory branch, or distributor branch shall have forty-five days from receiving the additional repair orders to rebut the presumption in accordance with the provisions of this Paragraph, provided that any rebuttal utilizing the additional repair orders shall conform to the requirements of Paragraphs (4), (5), and (8) of this Subsection.
 - (c) The manufacturer, distributor, wholesaler, factory branch, or distributor branch may rebut the presumption by showing all of the following:
 - (i) By reasonably substantiating that the submission is materially inaccurate and by providing a full explanation of any and all reasons.
 - (ii) By producing evidence validating each reason.
- 38 (iii) By producing a copy of all calculations used to demonstrate any material inaccuracies.
- 40 (iv) By producing a proposed adjusted parts mark-up, labor rate, or if 41 applicable, both, based upon the qualified repair orders submitted by the dealer."
- 42 AMENDMENT NO. 15
- On page 5, line 12, after "not add" and before the comma "," insert "to"
- 44 AMENDMENT NO. 16
- On page 5, line 14, after "labor rate" and before the period "." insert ", except upon the
- discovery of relevant information that was not known or information could not have been
- 47 <u>known at the time of issuing the rebuttal</u>"

- 1 AMENDMENT NO. 17
- On page 5, line 17, after "<u>Commission</u>" and before the period "." insert "<u>within sixty days of receiving the manufacturer's rejection and proposal</u>" 2
- 4 AMENDMENT NO. 18
- On page 6, line 7, between "the" and "rate" insert "parts mark-up or labor" 5