
The original instrument was prepared by Michelle Ducharme. The following digest, which does not constitute a part of the legislative instrument, was prepared by McHenry Lee.

DIGEST

Chabert (SB 136)

Present law defines "converter" or "secondary manufacturer" as a person who prior to the retail sale of motor vehicles, assembles, installs, or affixes a body, cab, or special equipment to a chassis, or who substantially adds, subtracts from, or modifies a previously assembled or manufactured motor vehicle.

Proposed law adds trailers to the definition of converter or secondary manufacturer.

Proposed law defines "low speed vehicle" as a four-wheeled, electric powered vehicle with a maximum speed of not less than 20 miles per hour but not more than 25 miles per hour and that possesses minimum motor vehicle equipment appropriate for vehicle safety as required by federal law.

Present law defines "trailer" as every single vehicle without motive power designed for carrying property or passengers wholly on its own structure, drawn by a motor vehicle which carries no part of the weight and load of the trailer on its own wheels and having one or more load carrying axles. Trailer includes but is not limited to utility trailers, boat trailers, recreational trailers, semitrailers, livestock trailers, and dump trailers.

Proposed law adds tow dollies to the list of examples in the definition of trailer.

Present law provides for unauthorized acts.

Proposed law provides that it shall be a violation of law for a manufacturer, distributor, wholesaler, distributor branch, factory branch, converter or officer, agent, or other representative thereof to disqualify a manufacturer's sales or service satisfaction survey that pertains to a dealership employee's personal motor vehicle or specialty vehicle solely because it was mailed or communicated electronically from a dealership.

Present law provides for manufacturer charge backs to a dealer.

Proposed law provides that the dealer shall not be charged back for any rebate paid to a consumer pursuant to a manufacturer's rebate program, provided the dealer acted in good faith when relying on the consumer's qualifying information and otherwise complied with the program guidelines and documentation requirements. A manufacturer's rebate program shall include but not be limited to a rebate program that targets college graduates, military personnel, first-time buyers, owner loyalty, family relationships, and any other similar program.

Proposed law provides that a provision contained in a vehicle protection product warranty requirement that arbitration or litigation be conducted outside this state or a provision that seeks to apply any law other than Louisiana law to disputes between the parties to a vehicle protection product warranty shall be void and unenforceable.

Present law provides for obtaining and maintaining a bond by a motor vehicle manufacturer, converter, distributor or wholesale, factory branch, and distributor branch licenses.

Proposed law removes the bond requirement.

Effective August 1, 2013.

(Amends R.S. 32:1252(8) and (23)-(70); adds R.S. 32:1252(71), 1261(A)(1)(x), 1262(B)(8), and 1283; repeals R.S. 32:1254(D)(6))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Commerce, Consumer Protection, and International Affairs to the original bill

1. Amends the definitions of "converter" or "secondary manufacturer" and "trailer".
2. Defines "low-speed vehicle".
3. Revises language to make it an authorized act for certain persons to disregard a dealership employee's sales or service satisfaction survey because it was mailed or communicated electronically from a dealership.
4. Revises language to provide that a dealer shall not be charged back for any rebate paid to a consumer pursuant to a manufacturer's rebate program, provided the dealer acted in good faith when relying on the consumer's qualifying information and otherwise complied with the program requirements.
5. Adds a provision contained in a vehicle protection product warranty requirement that arbitration or litigation be conducted outside this state or a provision that seeks to apply any law other than Louisiana law to disputes between the parties to a vehicle protection product warranty shall be void and unenforceable.
6. Removes the bond requirement for holders of motor vehicle manufacturer, converter, distributor or wholesale, factory branch, and distributor branch licenses.

Senate Floor Amendments to engrossed bill

1. Revises language to provide that a dealer shall not be charged back for any rebate

paid to a consumer pursuant to a manufacturer's rebate program, provided the dealer complied with the program guidelines and requirements.