

SENATE BILL NO. 318

BY SENATOR GARY SMITH

VETOED
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Veto Message

1 AN ACT

2 To amend and reenact R.S. 32:1261(A)(1)(t), relative to warranty repairs; to provide relative
3 to unauthorized acts; to provide for exemptions; to provide for certain terms and
4 conditions; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 32:1261(A)(1)(t) is hereby amended and reenacted to read as
7 follows:

8 §1261. Unauthorized acts

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

10 (1) For a manufacturer, a distributor, a wholesaler, distributor branch, factory
11 branch, converter or officer, agent, or other representative thereof:

12 * * *

13 (t) To operate a satellite warranty and repair center, to authorize a person to
14 perform warranty repairs who is not a motor vehicle dealer, or to authorize a motor
15 vehicle dealer to operate a satellite warranty and repair center within the community
16 or territory of a same-line or make motor vehicle dealer. This Subparagraph shall not
17 apply to ~~recreational~~ **any of the following:**

18 (i) **Recreational** product manufacturers.

19 (ii) **Emergency service of a vehicle.**

20 (iii) **A fleet owner or governmental entity that is authorized to perform**
21 **warranty repairs on any of the following motor vehicles owned or leased by the**
22 **fleet owner or governmental entity:**

23 (aa) **Those with a gross vehicle weight rating of twelve thousand pounds**
24 **or more.**

25 (bb) **Those designed for the movement of property, freight, or goods in**
26 **intrastate or interstate commerce.**

27 (cc) **Those designed for use in utility installation, maintenance, and**

1 repair.

2 (iv) The dealer that sold the motor vehicles listed in Item (iii) of this
3 Subparagraph to the fleet owner or governmental entity may and a
4 manufacturer that authorized the fleet owner or governmental entity to
5 perform warranty repairs on the motor vehicles described in Item (iii) of this
6 Subparagraph shall give notification of the authorization to the dealer located
7 in the same community or territory where the fleet owner or governmental
8 entity intends to perform the authorized warranty repairs. The notification
9 shall include the type of warranty repairs authorized by the manufacturer.

10 (v) A fleet owner or governmental entity performing warranty repairs
11 to the motor vehicles listed in Item (iii) of this Subparagraph shall meet the
12 same requirements for special tools, equipment, and technician certification
13 that are required of a franchise dealer that is authorized to make the same
14 warranty repairs on the same makes and models of motor vehicles being
15 repaired by a fleet owner or governmental entity.

16 (vi) A fleet owner or governmental entity authorized to perform
17 warranty repairs to the motor vehicles listed in Item (iii) of this Subparagraph
18 shall not make repairs to the internal drive train or the after-treatment exhaust
19 system of such motor vehicles.

20 (vii) For the purposes of Items (iii) through (vii) of this Subparagraph,
21 "fleet owner or governmental entity" shall mean a person who or unit of
22 government that owns or leases for its own use or a renting or leasing company
23 that rents to a third party ten or more of the motor vehicles listed in Item (iii)
24 of this Subparagraph.

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PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____

VETO MESSAGE

"Senate Bill No. 318 by Senator Gary Smith, Jr., provides for exceptions to the law that prohibits a motor vehicle dealer from authorizing a person who is not a motor vehicle dealer to perform warranty repairs.

While the bill as filed presented a narrow exemption for owners of fleet vehicles to do limited warranty work, the bill was amended. Dozens of legislators in both the House and Senate have expressed concerns about the unintended consequences of these amendments that they did not realize when they voted on the bill, and have asked me to veto it as a result.

In addition, the Louisiana Automobile Dealers Association, as well as dealerships across the state, have also asked for a veto. I am concerned that the stakeholders did not have sufficient opportunity to give their input during the development of the bill and that legislators should have the chance to consider the implications.

For these reasons, I have vetoed Senate Bill No. 318 and hereby return it to the Senate."