

2015 Regular Session

SENATE BILL NO. 243

BY SENATOR JOHN SMITH

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

WARRANTIES. Provides relative to warranty repairs of motor vehicles. (8/1/15)

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AN ACT

To amend and reenact R.S. 32:1261(A)(1)(t), relative to warranty repairs; to provide for the operation of satellite warranty and repair centers; to provide for unauthorized acts; to provide for exceptions; to provide certain terms and conditions; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

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

§1261. Unauthorized acts

A. It shall be a violation of this Chapter:

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

* * *

(t)(i) To operate a satellite warranty and repair center, to authorize a person to perform warranty repairs, **including emergency repairs**, who is not a motor vehicle dealer, **fleet owner, or an emergency services company or emergency services related company**, or to authorize a motor vehicle dealer to operate a

1 satellite warranty and repair center within the community or territory of a same-line
 2 or make motor vehicle dealer. This Subparagraph shall not apply to recreational
 3 product manufacturers. For the purposes of this Subparagraph, "fleet owner"
 4 means a person, including a governmental entity, who is approved and
 5 authorized by a manufacturer to perform warranty repairs and owns or leases
 6 vehicles for its own use or a renting or leasing company that rents or leases
 7 vehicles to a third party.

8 (ii) The manufacturer may authorize a fleet owner to perform warranty
 9 repairs if the manufacturer determines that the fleet owner has the same basic
 10 level of requirements for special tools, technician certification, and training that
 11 are required of a franchise dealer, but only those as determined by the
 12 manufacturer, in its sole discretion, that are necessary to perform the specified
 13 limited type of warranty repairs on the makes and models of motor vehicles for
 14 which the fleet owner is authorized to perform warranty repairs.

15 (iii) A manufacturer that authorizes a fleet owner to perform warranty
 16 repairs shall give notification of the authorization to the dealer located in the
 17 same area of responsibility where the fleet owner intends to perform the
 18 authorized warranty repairs.

19 (iv) The commission has no direct authority over a fleet owner or an
 20 emergency services company or emergency services related company with
 21 respect to the requirements of this Subparagraph.

22 * * *

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

SB 243 Original

DIGEST
2015 Regular Session

John Smith

Present law provides that it shall be a violation of law for a manufacturer, a distributor, a wholesaler, distributor branch, factory branch, converter or officer, agent, or other representative thereof, to operate a satellite warranty and repair center, to authorize a person to perform warranty repairs who is not a motor vehicle dealer, or to authorize a motor vehicle dealer to operate a satellite warranty and repair center within the community or territory of a same-line or make motor vehicle dealer. The provisions of present law do not apply to recreational product manufacturers.

Proposed law provides that a manufacturer can authorize a fleet owner and an emergency services company or emergency services related company to perform warranty repairs, including emergency repairs.

Proposed law defines a "fleet owner" as a person, including a governmental entity, who is approved and authorized by a manufacturer to perform warranty repairs and owns or leases vehicles for its own use or a renting or leasing company that rents or leases vehicles to a third party.

Proposed law provides that the manufacturer may authorize a fleet owner to perform warranty repairs if the manufacturer determines that the fleet owner has the same basic level of requirements for special tools, technician certification, and training that are required of a franchise dealer, but only those as determined by the manufacturer, in its sole discretion, that are necessary to perform the specified limited type of warranty repairs on the makes and models of motor vehicles for which the fleet owner is authorized to perform warranty repairs.

Proposed law provides that a manufacturer that authorizes a fleet owner to perform warranty repairs shall give notification of the authorization to the dealer located in the same area of responsibility where the fleet owner intends to perform the authorized warranty repairs.

Proposed law provides that the La. Motor Vehicle Commission has no direct authority over a fleet owner or an emergency services company or emergency services related company with respect to the requirements of proposed law.

Effective August 1, 2015

(Amends R.S. 32:1261(A)(1)(t))