

2015 Regular Session

HOUSE BILL NO. 478

BY REPRESENTATIVES MIGUEZ AND STUART BISHOP

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

MTR VEHICLE/REPAIRS: Provides relative to warranty repairs

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)(i) To operate a satellite warranty and repair center, to authorize a person
14 to perform warranty repairs, including emergency repairs, who is not a motor vehicle
15 dealer, fleet owner, or an emergency services company or emergency services related
16 company, or to authorize a motor vehicle dealer to operate a satellite warranty and
17 repair center within the community or territory of a same-line or make motor vehicle
18 dealer. This Subparagraph shall not apply to recreational product manufacturers.
19 For the purposes of this Subparagraph, "fleet owner" means a person, including a
20 governmental entity, who is approved and authorized by a manufacturer to perform
21 warranty repairs and owns or leases vehicles for its own use or a renting or leasing

1 company that rents, maintains, or leases vehicles to a third party. For the purposes
2 of this Subparagraph, "emergency services company or emergency services related
3 company" means a person who operates any vehicle designated and authorized to
4 respond to an emergency. An emergency vehicle includes but is not limited to police
5 and security vehicles, fire and rescue vehicles, medical vehicles, and civil emergency
6 vehicles, including public utility crews dealing with gas, electricity, or water or to
7 repair defective equipment on a scene.

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

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

19 (iv) The provisions of Items (ii) and (iii) of this Subparagraph shall not apply
20 to manufacturers who authorize fleet owners whose commercial vehicles are used
21 for the movement of property, freight, or goods in intrastate or interstate commerce.

22 (v) A repair facility of a fleet owner authorized pursuant to this
23 Subparagraph to perform warranty repairs shall not be deemed a satellite warranty
24 and repair center as defined in R.S. 32:1252 and shall not be required to be licensed
25 by the commission pursuant to R.S. 32:1254.

26 (vi) The commission has no authority over a fleet owner or an emergency
27 services company or emergency services related company with respect to the
28 requirements of this Subparagraph.

29 * * *

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 478 Engrossed

2015 Regular Session

Miguez

Abstract: Provides a list of exemptions relative to restrictions on warranty repairs.

Present law provides that it shall be a violation 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. Present law exempts recreational product manufacturers from this restriction imposed by present law.

Proposed law provides that it shall be a violation 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, 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 satellite warranty and repair center within the community or territory of a same-line or make motor vehicle dealer.

Proposed law defines "fleet owner" for the purposes of proposed law. Proposed law defines "emergency services company or emergency services related company" for the purposes of proposed law. Proposed law provides a nonexclusive list relative to types of vehicles to be included within the term "emergency vehicle" for the purposes of proposed law.

Proposed law allows manufacturers to authorize a fleet owner to perform certain warranty repairs when the manufacturer determines the fleet owner meets certain requirements relative to special tools, technician certification, and training.

Proposed law requires that manufacturers give a dealer notice of any authorization of a fleet owner to perform warranty repairs when the dealer is located in the same area of responsibility where the fleet owner intends to perform the authorized warranty repairs.

Proposed law provides an exception to proposed law relative to manufacturers who authorize fleet owners whose commercial vehicles are used for the movement of property, freight, or goods in intrastate or interstate commerce.

Proposed law provides that a repair facility of a fleet owner authorized pursuant to proposed law to perform warranty repairs shall not be deemed a satellite warranty and repair center as defined in present law (R.S. 32:1252) and shall not be required to be licensed by the Louisiana Motor Vehicle Commission (commission) pursuant to present law (R.S. 32:1254).

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

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

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Commerce to the original bill:

1. Modify the application of present law to include emergency repairs and to incorporate terms defined by proposed law.
2. Define the terms "fleet owner" and "emergency services company or emergency services related company".
3. Provide a nonexclusive list relative to types of vehicles to be included within the term "emergency vehicle".
4. Allow manufacturers to authorize fleet owners to perform warranty repairs in specified circumstances.
5. Require manufacturers to give notification of any authorization of a fleet owner to perform warranty repairs to dealers in specified circumstances.
6. Provide an exception relative to manufacturers who authorize fleet owners whose commercial vehicles are used for the movement of property, freight, or goods in intrastate or interstate commerce.
7. Clarify that a repair facility of a fleet owner authorized pursuant to proposed law shall neither be deemed a satellite warranty repair center nor be required to be licensed by the commission pursuant to present law.
8. Clarify that the commission has no authority over a fleet owner or emergency services company or emergency services related company pursuant to proposed law.