

## RÉSUMÉ DIGEST

ACT 435 (HB 833)

2015 Regular Session

Henry

With respect to various regulations relative to the sale and distribution of vehicles and dealers thereof, prior law defined as identical the terms "distributor" and "wholesaler". New law maintains and broadens the definition of "distributor" and "wholesaler" by expanding its applicability from "motor vehicles" to "vehicles". Prior law defined "low-speed vehicle". New law maintains the definition of "low-speed vehicle" but modifies it by removing "electric-powered". Prior law defined "marine dealer", in part, as applicable to any person who held a license as a marine dealer pursuant to existing law. New law modifies the definition of "marine dealer" by changing the applicability, in part, to any person who holds a license as a recreational products dealer pursuant to existing law. Prior law defined "marine motor". New law defines "marine engine" and "marine motor". Prior law defined "recreational products dealer". New law maintains and modifies the definition of "recreational products dealer" by adding a qualifying sentence which indicates that duly franchised and licensed recreational products dealers shall be the only persons who are entitled to sell, publicly solicit, and advertise the sale of new recreational products.

Prior law required that satellite warranty and repair centers furnish evidence of maintaining certain insurance coverages or other liability protections and specifically included garage liability insurance. Prior law required that those required insurance coverages or other liability protections must have had limits of not less than \$100,000 for bodily injury to one person, \$300,000 per accident, and \$50,000 for property damage. New law requires that satellite warranty and repair centers furnish evidence of maintaining certain insurance coverages within the contents of their application for license. New law removes all references to any specifically required dollar amounts and any specifically required classifications of insurance coverage. New law requires all satellite warranty and repair centers to maintain an insurance policy, which covers both its place of business and its operation, that complies with the financial responsibility laws of Louisiana and that includes a limit in an amount determined to be necessary to protect both the applicant and any relevant consumers.

Prior law regulated regional recreational products shows. New law regulates regional recreational products shows but also allows for and regulates regional specialty vehicle shows. New law regulates the participation of specialty vehicle dealers and converters in these regional shows.

Prior law required that notice of hearing, and an opportunity to participate therein, shall have been given to a motor vehicle dealer or distributor, to the applicant for the license as a motor vehicle dealer, and to the protesting dealership or dealerships relative to existing law regulating the establishment or relocation of motor vehicle dealerships. New law requires that notice of hearing, and an opportunity to participate therein, shall be given to the manufacturer or distributor, to the applicant for the license as a motor vehicle dealer, and to the protesting dealership or dealerships. Prior law required that the applicant and motor vehicle dealer or distributor had the burden of proof in demonstrating good cause by a preponderance of the evidence. New law requires that the applicant and manufacturer or distributor shall have the burden of proof in demonstrating good cause by a preponderance of the evidence.

Prior law authorized the Louisiana Motor Vehicle Commission ("commission") to impose civil penalties, deny an application for license, or revoke or suspend a license for any violation of any law relating to the sale, lease, rental, distribution, or financing of motor vehicles. New law authorizes the Louisiana Motor Vehicle Commission ("commission") to impose civil penalties, deny an application for license, or revoke or suspend a license for any violation of any law relating to the sale, lease, rental, distribution, or financing of vehicles rather than making the authorization applicable only to motor vehicles.

Existing law deems that it shall be a violation of existing law for a manufacturer, distributor, wholesaler, distributor branch, factory branch, converter or officer, agent, or other representative thereof to fail to designate and provide to the commission in writing either the community or territory assigned to a licensee. New law exempts trailers from this provision of existing law.

Prior law regulated the damage disclosure information that a seller of a new vehicle must have provided to a purchaser. New law narrows the regulations imposed by prior law to new motor vehicles; however, damage disclosure requirements relative to marine products, motorcycles, all-terrain vehicles, and recreational vehicles are provided for in other provisions of existing law.

Prior law required a manufacturer, wholesaler, distributor, or its representative who terminated or failed to renew a marine dealer franchise to provide 90 days written notice prior to the effective date by certified mail, return receipt requested, or commercial delivery service with verification of receipt to the marine dealer. New law requires a manufacturer, wholesaler, distributor, or its representative who terminates or fails to renew a marine dealer franchise to provide 90 days written notice prior to the effective date by certified mail, return receipt requested, or commercial delivery service with verification of receipt to the marine dealer and the commission.

New law authorizes the commission to maintain a marine dealer license pursuant to other provisions of existing law in the event that the marine dealer has new and unused inventory that is not eligible for repurchase relative to the termination or failure to renew a marine dealer franchise.

Prior law required a marine dealer who completed a bona fide, orderly, and permanent closure of the marine dealership to provide at least 90 days notice to the manufacturer, wholesaler, or distributor. New law requires a marine dealer who completes a bona fide, orderly, and permanent closure of the marine dealership to provide at least 90 days notice to the manufacturer, wholesaler, or distributor and the commission.

Existing law regulates the circumstances in which a manufacturer, converter, distributor, or representative thereof shall repurchase automotive service equipment relative to motorcycle dealers and all-terrain vehicle dealers. New law broadens those regulations making existing law applicable to service equipment relative to motorcycle dealers and all-terrain vehicle dealers.

Existing law regulates the circumstances in which a manufacturer, converter, distributor, or representative thereof shall repurchase automotive service equipment relative to recreational vehicle dealers. New law broadens those regulations making existing law applicable to service equipment relative to recreational vehicle dealers.

Effective August 1, 2015.

(Amends R.S. 32:1252(12), (23), (25), (26), and (46)(intro. para.), 1254(G)(4), 1256.1, 1257(C) and (D)(2), 1258(A)(intro. para.) and (6), 1261(A)(1)(n) and (r), 1264, 1270.5(A), (C), (D)(intro. para.), (E), and (J), 1270.17(A)(1)(intro. para.) and (c), and (B), and 1270.29(A)(1)(c) and (B))