

HB0525/340111/1

BY: Environment and Transportation Committee

AMENDMENTS TO HOUSE BILL 525

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with “prohibiting” in line 3 down through “manner” in line 8 and substitute “prohibiting a motor vehicle manufacturer, distributor, or factory branch from taking certain action against a motor vehicle dealer for the provision of certain notice, documents, or information to certain persons; prohibiting a manufacturer from taking certain action against a dealer for performing certain repairs on a vehicle under certain circumstances; prohibiting a dealer from sending certain notice to a person that states or implies that certain circumstances exist based on certain information; requiring a manufacturer to provide certain compensation to certain dealers under certain circumstances; providing for the construction of certain provisions of this Act”; and in line 17, after “15-212(c)(12)” insert “, (13), (14), and (15)”.

AMENDMENT NO. 2

On pages 2 and 3, strike the lines beginning with line 22 on page 2 through line 9 on page 3, inclusive, and substitute:

“(12) A LICENSEE MAY NOT PROHIBIT A DEALER FROM, OR TAKE ANY ADVERSE ACTION AGAINST A DEALER FOR, PROVIDING:

(I) WRITTEN NOTICE TO A PERSON THAT CONTAINS INFORMATION RELATED ONLY TO A SAFETY-RELATED RECALL UNDER FEDERAL LAW;

(II) A COPY OF A TECHNICAL SERVICE BULLETIN TO A CUSTOMER;

(Over)

1. IN RESPONSE TO A REQUEST BY THE CUSTOMER REGARDING A SPECIFIC CONDITION TO WHICH THE TECHNICAL SERVICE BULLETIN APPLIES; OR

2. AFTER THE DEALER VERIFIES THAT THE VEHICLE IS SUBJECT TO THE CONDITION AND REQUIRES THE REPAIRS DESCRIBED IN THE TECHNICAL SERVICE BULLETIN; OR

(iii) WRITTEN NOTICE TO A PERSON THAT MAKES THE PERSON AWARE OF INFORMATION AVAILABLE ON WWW.SAFERCAR.GOV.

(13) PARAGRAPH (12) OF THIS SUBSECTION MAY NOT BE CONSTRUED TO AUTHORIZE A DEALER TO MAIL OR OTHERWISE DISTRIBUTE A TECHNICAL SERVICE BULLETIN TO A PERSON OTHER THAN THE CUSTOMER WHILE THE CUSTOMER'S VEHICLE IS BEING REPAIRED BY THE DEALER.

(14) (i) A LICENSEE MAY NOT DENY A CLAIM, REDUCE THE AMOUNT OF COMPENSATION TO A DEALER, OR PROCESS A CHARGE BACK TO A DEALER FOR PERFORMING COVERED WARRANTY OR REQUIRED RECALL REPAIRS ON A VEHICLE:

1. FOR RESOLVING A CONDITION COVERED BY THE LICENSEE'S ORIGINAL WARRANTY;

2. FOR REMEDYING A SAFETY-RELATED DEFECT THAT IS SUBJECT TO AN OUTSTANDING RECALL UNDER FEDERAL LAW;

3. IF THE DEALER PROPERLY PERFORMED THE REPAIRS AND SUBMITTED THE CLAIMS; OR

4. IF THE DEALER DISCOVERED THE NEED FOR REPAIRS:

A. DURING THE COURSE OF A SEPARATE REPAIR REQUESTED BY THE CUSTOMER; OR

B. THROUGH NOTICE OF AN OUTSTANDING RECALL UNDER FEDERAL LAW FOR A SAFETY-RELATED DEFECT.

(15) NOTWITHSTANDING PARAGRAPHS (12) AND (13) OF THIS SUBSECTION, A DEALER MAY NOT SEND AN UNSOLICITED NOTICE TO A PERSON THAT STATES OR IMPLIES THAT REPAIRS ARE NEEDED ON THE PERSON'S VEHICLE OR THAT THE VEHICLE IS UNSAFE BASED SOLELY ON INFORMATION IN A TECHNICAL SERVICE BULLETIN."

AMENDMENT NO. 3

On pages 3 and 4, strike beginning with "IN" in line 25 on page 3 down through "AVAILABLE" in line 18 on page 4 and substitute "**IF A LICENSEE ISSUES A STOP SALE DIRECTIVE APPLICABLE TO A USED VEHICLE MANUFACTURED BY THE LICENSEE TO A DEALER THAT HOLDS A FRANCHISE FROM THE LICENSEE AND THERE ARE NO REMEDIES OR PARTS AVAILABLE TO FIX THE MOTOR VEHICLE, THE LICENSEE SHALL COMPENSATE THE DEALER BY:**

(1) PROVIDING PAYMENT TO THE DEALER AT A RATE OF AT LEAST 1% PER MONTH OR PORTION OF A MONTH OF THE VALUE OF THE VEHICLE, PLUS THE COST OF REPAIRS AND RECONDITIONING INCURRED BY THE DEALER; OR

(Over)

(2) COMPENSATING THE DEALER UNDER A NATIONAL PROGRAM THAT IS APPLICABLE TO ALL DEALERS HOLDING A FRANCHISE FROM THE LICENSEE FOR THE DEALER'S COSTS ASSOCIATED WITH THE STOP SALE DIRECTIVE".