

BILL ANALYSIS

DATE: 6/3/2009

COMMITTEE: Consumer Protection and
Professional Licensure

BILL NO.: SB 921

PRIME SPONSOR: Senator Tomlinson

PRINTER NO.: 1089

This bill would amend the Board of Vehicles Act.

The bill would address three issues:

The first issue would address dualing and relocation, by reducing the timeframe for manufacturers' consideration of dealer's request to relocate or dual a franchise and changes a manufacturer's denial standard.

The second issue would address the facility requirements by prohibiting the **unreasonable** expansion, construction or significant modification of dealer facilities or construction of a separate facility if not justified by market and economic conditions. In today's economic environment it is important that a car dealership not be required to make improvements that may impose an unreasonable burden.

Finally, the bill would require the repurchase by manufacturer of additional inventory in the event of a termination. It would require the repurchase of current and prior model inventory. It requires the repurchase of dealers trades. It would require for "heavy duty trucks" the repurchase of current and two prior model years inventory.

The bill would take effect in 60 days.