



**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>						

(Parenthesis ( ) Indicate Expenditure Decreases)

**SECTION III: NARRATIVE**

This analysis is neither a formal Attorney General’s Opinion nor an Attorney General’s Advisory Opinion Letter. This is a staff analysis in response to the agency’s committee’s or legislator’s request.

**BILL SUMMARY**

Summary Synopsis: HB 202 amends the Unlawful Acts—Manufacturers—Distributors—Representative Section 57-16-5 by adding Section “Z” which enumerates the requirements a dealer or the dealer’s successor and adds Section “AA” related to the approval for a new motor vehicle dealer to purchase goods and services from vendors of the dealer’s choice based on construction of a new or existing facility or the change, alteration or remodel of an existing facility.

HB 202 edits Section 57-16-5 inserting an “a” before manufacture: Subsection F inserts the gender neutral reference to “the dealer’s” for “his;” Subsection G similarly inserts the gender neutral reference to “the manufacturer’s, distributor’s or representative’s business for “his;” Subsection H is changed to reference “devises;” Subsection J inserts the gender neutral reference to “the dealer’s” for “his” and clarifies the section was referring to “serves” and not to services; Subsection K inserts the gender neutral reference to ”the dealer’s;” and Subsections L-O replaces “any” for “a;” Subsection Q inserts an “or” and replaces “any” for “a;” Subsections R and S also replaces “any” for “a” and replaces “does” with “do;” Subsection T specifies the section applies to “that the dealer’ in subsection (1) through (3); Subsection X deletes an “or.”

**FISCAL IMPLICATIONS WITH ENACTING THIS BILL**

N/A

**SIGNIFICANT LEGAL ISSUES**

HB 202 seeks to add certain protections under state law for dealers vis a vis manufacturers, distributors or their representatives. As discussed in the synopsis, HB 202 would add new Section Z to protect a dealer or dealer’s successor from being required by a manufacturer, distributor or representative to construct a new dealership, relocate or substantially change, alter or remodel a dealer’s facility except as permitted or otherwise required by law. HB 202 would also add Section AA which would prohibit a manufacturer, distributor or representative from withholding approval from a new motor vehicle dealer to purchase substantially similar goods and services from vendors of the dealer’s choice based on the construction of a new or existing facility or the change, alteration or remodel of an existing facility.

**PERFORMANCE IMPLICATIONS WITH ENACTING THIS BILL**

None.

**ADMINISTRATIVE IMPLICATIONS WITH ENACTING THIS BILL**

None.

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP WITH BILLS INTRODUCED THIS SESSION**

None known.

**TECHNICAL ISSUES OR DRAFTING ERROR**

HB 202 contains an “or” after Section Z Subsection 2 which maybe a disjunctive “or.” It is unclear if the drafter of bill means to create an alternative or not.

**OTHER SUBSTANTIVE LEGAL ISSUES**

None.

**ALTERNATIVES TO ENACTING THIS BILL**

None.

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

Status quo.

**AMENDMENTS NEEDED TO IMPROVE THIS BILL**

None.