

HCS HB 392 -- FRANCHISE DEALERS (Avery)

This substitute requires franchisors, before granting a franchise to establish or relocate a motorcycle, all-terrain vehicle, or personal watercraft franchise within the market area of an existing franchise representing the same line-make, to notify existing franchises in the relevant market area and allows the existing franchise to file an action in court to determine whether good cause exists for the establishment or relocation of the franchise. Criteria for the determination of good cause are specified. The substitute defines market areas in counties with a population greater than 100,000 as within a radius of 10 miles and in counties with a population less than 100,000 as within a radius of 25 miles or the county line. The substitute does not apply to the reopening of a closed franchise that is within two miles of its place of business when it closed.

FISCAL NOTE: No impact on state funds.