

HB 738 -- MOTOR VEHICLE FRANCHISE PRACTICE

SPONSOR: Kolkmeier

COMMITTEE ACTION: Voted "Do Pass by Consent" by the Standing Committee on Transportation by a vote of 9 to 0. Voted "Do Pass by Consent" by the Committee on Consent and Procedure by a vote of 8 to 3.

This bill allows a franchisor to own or operate a new motor vehicle dealership in this state if the franchisor is a manufacturer that:

(1) Manufactures engines for installation in motor vehicles with a gross weight rating of 16,000 pounds registered to operate on public highways provided that the manufacturer is not otherwise a manufacturer of motor vehicles as defined under Section 407.815(15) RSMo;

(2) Owned, operated, or controlled a new motor vehicle dealership or a warranty repair facility in this state as of January 1, 2016;

(3) Does not own or operate more than seven dealerships in this state; and

(4) Provides dealers with access to support for completing repairs substantially equal to the support the manufacturer provides to facilities owned, operated, or controlled by it.

This bill is similar to HB 2411 (2016).

PROPONENTS: Supporters say that the bill will ensure that a company with 250 employees can maintain its Missouri operations and continue to provide customer service by honoring car warranties in Missouri.

Testifying for the bill were Representative Kolkmeier; Missouri Trucking Association; and Lawrence McCormack, Cummins, Inc.

OPPONENTS: There was no opposition voiced to the committee.