

HB 969 -- MOTORCYCLE OR ATV FRANCHISORS

SPONSOR: Knight

Currently, it is unlawful for a motorcycle or all-terrain vehicle franchisor to fail to pay reasonable compensation for certain items to a franchisee upon termination, cancellation, or refusal to continue a franchise or upon the discontinuation of certain line-make parts or products. This bill would make it unlawful to fail to repurchase a franchisee's inventory or other items if the motorcycle or all-terrain franchise agreement is terminated, canceled, or not renewed by the manufacturer for cause; if the dealer voluntarily terminates an agreement in a permitted manner; if the manufacturer terminates or discontinues a franchise by discontinuing a line-make or by no longer doing business in this State; or if the manufacturer changes the distributor or method of distribution of its products in this State or alters its sales regions or marketing areas within this State in a way that eliminates or diminishes the dealer's market area. The manufacturer must repurchase the items within 30 days of termination.