

HOUSE BILL No. 5988

June 30, 1992, Introduced by Reps. Bartnik, Hertel, Leland, Nye, Hoffman, Stopczynski and Wozniak and referred to the Committee on Transportation.

A bill to amend section 13 of Act No. 118 of the Public Acts of 1981, entitled

"An act to regulate motor vehicle manufacturers, distributors, wholesalers, dealers, and their representatives; to regulate dealings between manufacturers and distributors or wholesalers and their dealers; to regulate dealings between manufacturers, distributors, wholesalers, dealers, and consumers; to prohibit unfair practices; to provide remedies and penalties; and to repeal certain acts and parts of acts,"

being section 445.1573 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 13 of Act No. 118 of the Public Acts of
2 1981, being section 445.1573 of the Michigan Compiled Laws, is
3 amended to read as follows:

4 Sec. 13. A manufacturer or distributor shall not require
5 any new motor vehicle dealer in this state to do any of the
6 following:

1 (a) Order or accept delivery of any new motor vehicle, part
2 or accessory thereof, equipment, or any other commodity not
3 required by law which was not voluntarily ordered by the new
4 motor vehicle dealer. This section shall not be construed to
5 prevent the manufacturer or distributor from requiring that new
6 motor vehicle dealers carry a reasonable inventory of models
7 offered for sale by the manufacturer or distributor.

8 (b) Order or accept delivery of any new motor vehicle with
9 special features, accessories, or equipment not included in the
10 list price of the new motor vehicle as publicly advertised by the
11 manufacturer or distributor.

12 (C) ORDER OR ACCEPT DELIVERY OF ANY NEW MOTOR VEHICLE WITH-
13 OUT A DELIVERY STICKER, PAMPHLET, OR OTHER PROMINENT MEANS OF
14 NOTIFICATION TO THE CONSUMER OF ANY PARTS IN THAT VEHICLE THAT
15 WERE NOT MANUFACTURED IN THIS STATE AND, IF SO, THE POINT OF MAN-
16 UFACTURE OF THOSE PARTS.

17 (d) ~~-(c)-~~ Participate monetarily in any advertising campaign
18 or contest, or purchase any promotional materials, display
19 devices, or display decorations or materials at the expense of
20 the new motor vehicle dealer.

21 (E) ~~-(d)-~~ Enter into any agreement with the manufacturer or
22 distributor or do any other act prejudicial to the new motor
23 vehicle dealer by threatening to terminate a dealer agreement or
24 any contractual agreement or understanding existing between the
25 dealer and the manufacturer or distributor. Notice in good faith
26 to any dealer of the dealer's violation of any terms or

1 provisions of the dealer agreement shall not constitute a
2 violation of this act.

3 (F) ~~-(e)-~~ Change the capital structure of the new motor
4 vehicle dealership or the means by or through which the dealer
5 finances the operation of the dealership, if the dealership at
6 all times meets any reasonable capital standards determined by
7 the manufacturer in accordance with uniformly applied criteria.

8 (G) ~~-(f)-~~ Refrain from participation in the management of,
9 investment in, or the acquisition of, any other line of new motor
10 vehicle or related products, provided that the dealer maintains a
11 reasonable line of credit for each make or line of vehicle,
12 remains in compliance with reasonable facilities requirements,
13 and makes no change in the principal management of the dealer.

14 (H) ~~-(g)-~~ Change the location of the new motor vehicle deal-
15 ership or make any substantial alterations to the dealership
16 premises, where to do so would be unreasonable.

17 (I) ~~-(h)-~~ Prospectively assent to a release, assignment,
18 novation, waiver, or estoppel which would relieve any person from
19 liability imposed by this act; or require any controversy between
20 a new motor vehicle dealer and a manufacturer or distributor to
21 be referred to a person other than the duly constituted courts of
22 the state or the United States, if the referral would be binding
23 upon the new motor vehicle dealer.