

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 57th Legislature (2019)

4 HOUSE BILL 1375

 By: Taylor

7 AS INTRODUCED

8 An Act relating to public safety; amending 63 O.S.
9 2011, Section 4037.1, which relates to boat dealer
10 market area disputes; providing that the brand of
 boat be considered and not the motor in certain boat
 package disputes; and providing an effective date.

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13 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

14 SECTION 1. AMENDATORY 63 O.S. 2011, Section 4037.1, is
15 amended to read as follows:

16 Section 4037.1 A. In the event that a dealer seeks to
17 establish a new vessel or new motor dealership or relocate an
18 existing vessel or motor dealership within or into a relevant market
19 area where the same product line is then represented, the dealer
20 shall notify the Tax Commission and each new vessel or new motor
21 dealer of such product line in the relevant market area of the
22 intention to establish or relocate a dealership within or into that
23 market area. The relevant market area is the area within a radius
24 of fifteen (15) miles of the site of the proposed new vessel or new

1 motor dealership. Within fifteen (15) days of receiving such notice
2 such new vessel or new motor dealer may file with the Commission a
3 protest to the establishing or relocating of the proposed new vessel
4 or new motor dealership. When such a protest is filed, the
5 Commission shall inform the dealer that a timely protest has been
6 filed, and that the dealer shall not establish or relocate the
7 proposed new vessel or new motor dealership until the Commission has
8 held a hearing, nor thereafter, if the Commission has determined
9 that there is good cause for not permitting such new vessel or new
10 motor dealership. The manufacturer or factory representative of the
11 same product line may obtain a waiver of protest from each new
12 vessel or new motor dealer of the same product line within that
13 relevant market area. If a waiver of protest from each dealer
14 within the relevant market area is not attached to the application
15 for the new dealer seeking to establish, the Commission shall render
16 a final decision no later than sixty (60) days after the
17 Commission's receipt of the notice of protest. In any hearing held
18 pursuant to this section on additional dealerships or relocation of
19 dealerships the new dealer or existing dealer relocating shall have
20 the burden of proof. For the purposes of this section, the
21 reopening in a relevant market area of a new vessel or new motor
22 dealership that has not been in operation for two (2) years or more
23 shall be deemed the establishment of a new vessel or new motor
24 dealership. For the purpose of this section, the designation of an

1 additional location in an existing dealership agreement shall be
2 deemed to be the establishment of a new vessel or new motor
3 dealership.

4 B. In disputes between the marine dealers and manufacturers and
5 distributors regarding the execution of an agreement that would add
6 a new same-line marine dealership or would add the same product line
7 regardless of brand name within the area of responsibility of an
8 existing marine dealer, the name brand of the boat determines
9 whether a dealer may enter into a franchise for a particular boat
10 package or boat package line. The marine motor, marine engine, boat
11 trailer or any accessory made a part of a boat package shall not be
12 the subject of, or a consideration in, an area of responsibility
13 dispute for violation involving the boat package.

14 SECTION 2. This act shall become effective November 1, 2019.

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16 COMMITTEE REPORT BY: COMMITTEE ON BUSINESS AND COMMERCE, dated
17 02/25/2019 - DO PASS.

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