

The Senate Finance Committee offered the following substitute to HB 117:

A BILL TO BE ENTITLED
AN ACT

1 To amend provisions of the Official Code of Georgia Annotated relating to dealers and
2 franchises of motorcycles, recreational vehicles, utility vehicles, and all-terrain vehicles;
3 to amend Chapter 1 of Title 10 of the Official Code of Georgia Annotated, relating to selling
4 and other trade practices, so as to exempt motorcycles, all-terrain vehicles, and utility
5 vehicles from the definition of motor vehicle relative to motor vehicle franchises; to provide
6 for certain franchise agreement exemptions for rallies or conventions involving more than
7 2,500 recreational vehicles; to change certain provisions relating to punishments for
8 violations relative to recreational vehicle dealers and manufacturers; to provide for
9 definitions; to provide purposes and policies to protect motorcycle, all-terrain vehicle, and
10 utility vehicle dealers; to provide for sales of such vehicles; to provide for changing or
11 terminating sales areas only for good cause; to provide for notice of termination or
12 substantial change to a sales area; to provide for repurchase of inventories by the grantor
13 upon termination of a dealership; to provide that it is illegal for a grantor to coerce a dealer
14 to purchase its parts or accessories; to provide that a grantor must approve a sale of a
15 dealership if the terms are reasonable; to provide for succession of the dealership to the
16 dealer's named beneficiaries; to provide for warranty obligations; to provide for dispute
17 resolution; to prohibit certain distributions or sales; to provide for applicability; to provide
18 an effective date; to provide for related matters; to repeal conflicting laws; and for other
19 purposes.

20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

21 Chapter 1 of Title 10 of the Official Code of Georgia Annotated, relating to selling and other
22 trade practices, is amended by revising paragraph (10) of Code Section 10-1-622, relating
23 to definitions relative to motor vehicle franchises, as follows:
24

25 "(10) 'Motor vehicle' means every self-propelled vehicle intended primarily for use and
26 operation on the public highways, except farm tractors and other machines and tools used

1 in the production, harvesting, and care of farm products, construction equipment,
 2 motorcycles as defined in paragraph (7) of subsection (a) of Code Section 10-1-725,
 3 all-terrain vehicles as defined in paragraph (1) of subsection (a) of Code Section
 4 10-1-725, utility vehicles as defined in paragraph (12) of subsection (a) of Code Section
 5 10-1-725, and recreational vehicles as defined in paragraph (5) of subsection (a) of Code
 6 Section 10-1-679."

7 SECTION 2.

8 Said chapter is further amended by revising Code Section 10-1-649.14, relating to franchise
 9 agreements required to sell or distribute recreational vehicles, as follows:

10 "10-1-679.14.

11 (a) It shall be unlawful for any dealer to sell or distribute any new recreational vehicle in
 12 Georgia unless the dealer has a franchise dealership agreement with a grantor with the
 13 express right to sell or distribute recreational vehicles in Georgia and meets the
 14 requirements and definitions provided in this article. Any dealer who does not meet the
 15 requirements of this article may participate in events where recreational vehicles are
 16 exhibited or demonstrated and seminars are provided but shall be prohibited from
 17 contracting to sell or distribute recreational vehicles to the public. Notwithstanding the
 18 foregoing, this Code section shall not apply to the sale of recreational vehicles at events
 19 sponsored by a Georgia based recreational vehicle grantor with manufacturing facilities
 20 located in the state, where recreational vehicles are sold or contracted for by its franchised
 21 out-of-state recreational vehicle dealers.

22 (b) This Code section shall not apply to any convention or rally involving more than 2,500
 23 recreational vehicles which are registered with the sponsor of said event; provided,
 24 however, that no dealers from outside of this state shall be invited to said event by a
 25 participating manufacturer unless all franchised Georgia dealers for such participating
 26 manufacturer shall be invited to said event, and there shall be no discrimination in terms
 27 of sales by a manufacturer to any franchised Georgia dealer for recreational vehicles to be
 28 sold at the convention or rally; nor shall any franchised Georgia dealer be required by a
 29 manufacturer to purchase inventory in addition to that required under a current franchise
 30 agreement between the manufacturer and such dealer in order for the dealer to participate
 31 in such convention or rally. Any participating out of state dealer that is not licensed by this
 32 state shall be from another state which authorizes recreational vehicle dealers licensed in
 33 this state to participate in similar conventions or rallies in such other state under conditions
 34 substantially equivalent to the conditions imposed by this subsection upon recreational
 35 vehicle dealers licensed in such other state. Out of state dealers shall register with the
 36 Department of Revenue and purchase a permit 30 days prior to participating in any rally

1 in Georgia. The cost of the permit shall be \$500.00 per dealer. Nothing in this subsection
 2 shall be applied to impair an obligation of a contract existing on the effective date of this
 3 subsection."

4 **SECTION 3.**

5 Said chapter is further amended by revising Code Section 10-1-679.15, relating to
 6 punishments for violations relative to recreational vehicle dealers, as follows:

7 "10-1-679.15.

8 Any person who violates the provisions of this article shall be guilty of a misdemeanor;
 9 except that any manufacturer or dealer that violates Code Section 10-1-679.14 shall be
 10 guilty of a misdemeanor of a high and aggravated nature."

11 **SECTION 4.**

12 Said chapter is further amended by inserting a new Article 25A to read as follows:

13 "ARTICLE 25A

14 10-1-725.

15 (a) As used in this article, the term:

16 (1) 'All-terrain vehicle' means any motorized vehicle designed for off-road use which is
 17 equipped with three or more low pressure tires and with a seat to be straddled by the
 18 operator and with handlebars for steering control.

19 (2) 'Community of interest' means a continuing financial interest between the grantor and
 20 the grantee in either the operation of the dealership business or the marketing of such
 21 goods or services.

22 (3) 'Dealer' means a person who performs retail sales of new motorcycles, all-terrain
 23 vehicles, or utility vehicle products situated in Georgia.

24 (4) 'Franchise' means an oral or written agreement for a definite or indefinite period of
 25 time in which a manufacturer grants to a motorcycle, all-terrain vehicle, or utility vehicle
 26 dealer permission to use a trade name, service mark, or related characteristic and in which
 27 there is a community of interest in the marketing of motorcycle, all-terrain vehicle, or
 28 utility vehicle products or services related thereto at wholesale or retail, whether by
 29 leasing, sale, or otherwise.

30 (5) 'Grantor' means a person who grants a motorcycle, all-terrain vehicle, or utility
 31 vehicle dealership.

32 (6) 'Moped' or 'scooter' means a motor driven cycle equipped with two wheels, with or
 33 without foot pedals to permit muscular propulsion, and an independent power source

1 providing a maximum of two brake horsepower. If a combustion engine is used, the
2 maximum piston or rotor displacement shall be 3.05 cubic inches (50 cubic centimeters)
3 regardless of the number of chambers in such power source. The power source shall be
4 capable of propelling the vehicle, unassisted, at a speed not to exceed 30 miles per hour
5 (48.28 kilometers per hour) on level road surfaces and shall be equipped with a power
6 drive system that functions directly or automatically only, not requiring clutching or
7 shifting by the operator after the drive system is engaged.

8 (7) 'Motorcycle' means every motor vehicle having a seat or saddle for the use of the
9 rider and designed to travel on not more than three wheels in contact with the ground, but
10 excluding a tractor, all-terrain vehicle, utility vehicle, and moped.

11 (8) 'Motorcycle, all-terrain vehicle, or utility vehicle dealer' means a person who is a
12 grantee of a motorcycle, all-terrain vehicle, or utility vehicle dealership situated in
13 Georgia.

14 (9) 'Motorcycle, all-terrain vehicle, or utility vehicle dealership' means an established
15 place of business engaged in the marketing of new motorcycle, all-terrain vehicle, or
16 utility vehicle products or services related thereto at wholesale or retail, whether by
17 leasing, sale, or otherwise, and which is marked by an appropriate permanent sign; which
18 has a working telephone with a telephone number listed in the local phone directory;
19 which derives at least 75 percent of its revenue from the sale of new motorcycles,
20 all-terrain vehicles, or utility vehicles and from the sale of motorcycle, all-terrain vehicle,
21 or utility vehicle related products and services; and which provides services or repair for
22 such vehicles on site; provided, however, that any dealer as defined in Code Section
23 13-8-12 and subject to the provisions of Article 2 of Chapter 8 of Title 13 and which is
24 also engaged in the marketing of new motorcycle, all-terrain vehicle, or utility vehicle
25 products or services related thereto shall not be subject to the criteria of this paragraph
26 requiring that at least 75 percent of its revenue be derived from the sale of new
27 motorcycles, all-terrain vehicles, or utility vehicles and from the sale of motorcycle,
28 all-terrain vehicle, or utility vehicle related products and services.

29 (10) 'Person' means a natural person, partnership, joint venture, corporation, or other
30 entity.

31 (11) 'Relevant market area' means the larger of the following:

32 (A) The area of responsibility defined in the franchise agreement of an existing dealer;
33 or

34 (B) The geographic area within a radius of ten miles of any existing dealer of the same
35 line or make of vehicle that is located in a county with a population of more than
36 200,000 persons according to the most recent United States decennial census or within
37 a radius of 15 miles of an existing dealer of the same line or make of vehicle that is

1 located in a county with a population of 200,000 or fewer persons according to the most
2 recent United States decennial census.

3 (12) 'Tractor' means any self-propelled vehicle designed for use as a traveling power
4 plant or for drawing other vehicles but having no provision for carrying loads
5 independently.

6 (13) 'Utility vehicle' means any motorized vehicle designed and manufactured for
7 off-road use only which has a gross vehicle weight of 850 pounds or more and which is
8 equipped with four or more low pressure tires, with one or more bench or bucket seats
9 for the operator and passengers, with a steering wheel for steering control, and with a
10 cargo bed.

11 (b) For purposes of this article when determining whether there is good cause for a
12 proposed action, the trier of fact shall consider:

13 (1) The volume of the affected dealer's business in the relevant market area;

14 (2) The nature and extent of the dealer's investment in its business;

15 (3) The adequacy of the dealer's service facilities, equipment, parts, supplies, and
16 personnel;

17 (4) The effect of the proposed action on the community;

18 (5) The extent and quality of the dealer's service under motorcycle, all-terrain vehicle,
19 or utility vehicle warranties; and

20 (6) The dealer's performance under the terms of its franchise agreement.

21 10-1-725.1.

22 (a) This article shall be reasonably construed and applied to promote its underlying
23 remedial purposes and policies.

24 (b) The underlying purposes and policies of this article are:

25 (1) To promote the compelling interest of the public in fair business relations between
26 motorcycle, all-terrain vehicle, and utility vehicle dealers and grantors and in the
27 continuation of motorcycle, all-terrain vehicle, and utility vehicle dealerships on a fair
28 basis;

29 (2) To protect motorcycle, all-terrain vehicle, and utility vehicle dealers against unfair
30 treatment by grantors who inherently have superior economic power and superior
31 bargaining power in the negotiations of motorcycle, all-terrain vehicle, and utility vehicle
32 dealerships;

33 (3) To provide motorcycle, all-terrain vehicle, and utility vehicle dealers with rights and
34 remedies in addition to those existing by contract or common law; and

1 (4) To govern all franchise agreements for motorcycle, all-terrain vehicle, and utility
2 vehicle dealerships, including any renewals or amendments, to the full extent consistent
3 with the Constitutions of Georgia and the United States.

4 (c) The effect of this article may not be varied by contract or agreement. Any contract or
5 agreement purporting to do so is void and unenforceable to that extent only.

6 10-1-725.2.

7 Sales of motorcycles, all-terrain vehicles, and utility vehicles by grantors or distributors
8 shall be in accordance with published prices, charges, and terms of sale in effect at any
9 given time.

10 10-1-725.3.

11 No grantor, directly or through any officer, agent, or employee, may terminate, cancel, fail
12 to renew, or substantially change the area of sales responsibility of a motorcycle, all-terrain
13 vehicle, or utility vehicle dealership agreement without good cause. The burden of proving
14 good cause shall be on the grantor.

15 10-1-725.4.

16 Except as provided in this Code section, a grantor shall provide a motorcycle, all-terrain
17 vehicle, or utility vehicle dealer written notice of intent to terminate, cancel, or nonrenew.
18 The motorcycle, all-terrain vehicle, or utility vehicle dealer shall have 120 days following
19 receipt of notice in which to rectify any claimed deficiency. If the deficiency is rectified
20 within 120 days, the notice shall be void. The notice provisions of Code Section
21 10-1-725.3 shall not apply if the reason for termination, cancellation, or nonrenewal is
22 insolvency; the occurrence of an assignment for the benefit of creditors; bankruptcy; failure
23 of the dealer to conduct its customary sales and service operations during its customary
24 business hours for seven consecutive business days, except for acts of God or
25 circumstances beyond the control of the dealer; conviction of the dealer, general manager,
26 or managing executive or any owner with a substantial interest therein of any crime which
27 materially relates to the operation of the dealership or any felony which is punishable by
28 imprisonment; suspension or revocation for a period of more than 14 days of any license
29 which the dealer is required to have to operate a dealership; or fraud or intentional
30 misrepresentation by the dealer that materially affects the franchise. In such event, the
31 termination, cancellation, or nonrenewal shall become effective 15 days after receipt of
32 notice by the dealer.

1 10-1-725.5.

2 (a) If a motorcycle, all-terrain vehicle, or utility vehicle dealership franchise agreement is
3 terminated, canceled, or not renewed by the grantor, the grantor, at the option of the
4 motorcycle, all-terrain vehicle, or utility vehicle dealer, shall repurchase:

5 (1) All inventories of motorcycles, all-terrain vehicles, or utility vehicles, parts, and
6 accessories sold by the grantor to the motorcycle, all-terrain vehicle, or utility vehicle
7 dealer for resale; and

8 (2) All diagnostic equipment, special tools, other equipment and machinery, and signage
9 as were required to meet the dealer's service responsibilities in accordance with
10 manufacturer's guides and applicable customer service bulletins and signs sold under the
11 motorcycle, all-terrain vehicle, or utility vehicle dealership agreement.

12 (b) The repurchase price shall be at the original invoice price plus freight, destination,
13 delivery, and distribution charges and sales taxes incurred by the motorcycle, all-terrain
14 vehicle, or utility vehicle dealer. The grantor shall pay the dealer within 30 days of receipt
15 of the returned items. This Code section shall apply only to merchandise with a name,
16 trademark, label, or other mark on it which identifies the grantor or with proof of purchase
17 from the grantor.

18 (c) The grantor shall reimburse the dealer for 100 percent of the invoiced cost to the dealer
19 by the grantor, including transportation, of all new current model year and new current year
20 motorcycle, all-terrain vehicle, or utility vehicle inventory acquired from the manufacturer
21 which has not been materially altered or substantially damaged and of all new motorcycle,
22 all-terrain vehicle, or utility vehicle inventory not of the current model year which has not
23 been materially altered or substantially damaged, provided that the noncurrent model year
24 vehicles were acquired from the manufacturer within 12 months prior to the effective date
25 of the termination, cancellation, or nonrenewal.

26 (d) The grantor shall reimburse the dealer for 100 percent of the current net prices as
27 published in the grantor's current price lists or catalogs on accessories and parts, including
28 superseded parts, plus 7 percent of the current net price of all grantor's accessories and
29 parts returned to compensate the dealer for handling, packing, and loading the parts.

30 10-1-725.6.

31 It shall be unlawful for any grantor, directly or through any officer, agent, or employee:

32 (1) To coerce, or attempt to coerce, any dealer to accept delivery of any parts or
33 accessories or any other commodities which have not been ordered by such dealer; or

34 (2) To coerce, or attempt to coerce, any dealer to enter into an agreement with such
35 grantor or do any other act unfair to such dealer by threatening to cancel any motorcycle,

1 all-terrain vehicle, or utility vehicle dealership franchise agreement existing between such
2 grantor and such dealer.

3 10-1-725.7.

4 It shall be unlawful for any grantor to prevent or refuse to approve the sale or transfer of
5 the ownership of a motorcycle, all-terrain vehicle, or utility vehicle dealership by the sale
6 of the business assets, stock transfer, or otherwise or a change in executive management
7 or principal operator of the dealership if the new owner, principal operator, or management
8 is creditworthy, has not been convicted of a felony, and is properly licensed; the sale or
9 transfer will not result in a relocation of the business; and the sale or transfer is otherwise
10 reasonable under the circumstances. The burden of proving that any sale or transfer is not
11 reasonable shall be on the grantor; provided, however, that the grantor and the dealer may
12 mutually agree to a relocation of the business.

13 10-1-725.8.

14 (a) It shall be unlawful for any grantor to fail to provide a motorcycle, all-terrain vehicle,
15 or utility vehicle dealer with an opportunity, at the time of signing a motorcycle, all-terrain
16 vehicle, or utility vehicle dealership franchise agreement or at a reasonable time thereafter,
17 to designate a member of his or her family as a successor to the dealership in the event of
18 the death or incapacity of the dealer. A dealer may from time to time during the term of
19 the franchise agreement change the beneficiary by providing a written notification to the
20 manufacturer.

21 (b) It shall be unlawful to prevent or refuse to honor the succession to a dealership by a
22 member of the family of the deceased or incapacitated dealer unless the grantor has
23 provided to the member of the family so designated written notice of its objections. The
24 burden of proving that such transfer is not reasonable shall be on the grantor.

25 (c) Grounds for objection shall be lack of creditworthiness, conviction of a felony,
26 inability to obtain necessary licenses by the beneficiary, lack of required licenses, or other
27 conditions which make such succession unreasonable under the circumstances; but the
28 grantor shall bear the burden of proving the unreasonableness of such succession. No
29 member of the family of the deceased or incapacitated dealer may succeed to a motorcycle,
30 all-terrain vehicle, or utility vehicle dealership unless the succession to such dealership will
31 not involve, without the grantor's consent, a relocation of the business.

32 10-1-725.9.

33 (a) Each grantor shall specify in writing to each of its motorcycle, all-terrain vehicle, or
34 utility vehicle dealers licensed in Georgia the dealer's obligation for preparation, delivery,

1 and warranty service on its products; shall compensate the dealer for warranty service
2 required of the dealer by the manufacturer; and shall provide the dealer the schedule of
3 compensation to be paid to such dealers for parts, work, and service in connection with
4 warranty service and the time allowances for the performance of such work and service.
5 In no event shall such schedule of compensation fail to include reasonable compensation
6 for diagnostic work as well as repair service and labor.

7 (b) Time allowances for the diagnosis and performance of warranty work and service shall
8 be reasonable and adequate for the work to be performed. In the determination of what
9 constitutes reasonable compensation under this Code section, the principal factors to be
10 given consideration shall be the prevailing wage rates being paid by the dealer and the
11 prevailing labor rate being charged by the dealer in the community in which the dealer is
12 doing business. In no event shall such compensation of a dealer for warranty service be
13 less than the rates charged by the dealer for like service to retail customers for nonwarranty
14 service and repairs so long as such rates are reasonable.

15 (c) A grantor shall reimburse the dealer for warranty parts at actual wholesale costs plus
16 a minimum 25 percent handling charge and the cost, if any, of freight to return warranty
17 parts to the manufacturer. Warranty audits of dealer records may be conducted by the
18 grantor on a reasonable basis. A grantor must disapprove warranty claims in writing within
19 30 days of the date of submission by the dealer in the manner and form prescribed by the
20 grantor. Claims not specifically disapproved in writing within this 30 days shall be
21 construed to be approved and shall be paid or credited within 45 days.

22 (d) Dealer claims for warranty compensation shall not be denied except for good cause
23 such as performance of nonwarranty repairs, lack of material documentation, fraud, or
24 misrepresentation. Claims for dealer compensation shall be paid within 30 days of dealer
25 submission or rejected in writing for stated reasons.

26 (e) It shall be a violation of this article for any grantor to:

27 (1) Fail to perform any of its warranty obligations with respect to a motorcycle,
28 all-terrain vehicle, or utility vehicle and motorcycle, all-terrain vehicle, or utility vehicle
29 components;

30 (2) Fail to assume all responsibility for any liability resulting from structural or
31 production defects;

32 (3) Fail to include written notices of factory recalls to vehicle owners and dealers and the
33 expected date by which necessary parts and equipment will be available to dealers for the
34 correction of such defects;

35 (4) Fail to compensate any of its motorcycle, all-terrain vehicle, or utility vehicle dealers
36 licensed in Georgia for repairs effected by such dealer of merchandise damaged in

1 manufacture or transit to the dealer where the carrier is designated by the manufacturer,
2 factory branch, distributor, or distributor branch;

3 (5) Fail to compensate its motorcycle, all-terrain vehicle, or utility vehicle dealers
4 licensed in this state for warranty parts, work, and service in accordance with the
5 schedule of compensation provided the dealer pursuant to subsection (a) of this Code
6 section or for legal costs and expenses incurred by such dealers in connection with
7 warranty obligations for which the grantor is legally responsible or which the grantor
8 imposes upon the dealer;

9 (6) Misrepresent in any way purchases of motorcycles, all-terrain vehicles, or utility
10 vehicles that contain warranties with respect to the manufacture, performance, or design
11 of the vehicles which are made by the dealer, either as warrantor or co-warrantor; or

12 (7) Require the dealer to make warranties to customers in any manner related to the
13 manufacture of a motorcycle, all-terrain vehicle, or utility vehicle.

14 (f) Notwithstanding the terms of any agreement, it shall be a violation of this article for
15 any grantor to fail to indemnify and hold harmless its motorcycle, all-terrain vehicle, or
16 utility vehicle dealers against any losses or damages arising out of claims, costs, judgments,
17 expenses including reasonable attorney's fees, or suits relating to the manufacture,
18 assembly, or design of motorcycles, all-terrain vehicles, or utility vehicles, parts, or
19 accessories, or other functions by the grantor beyond the control of the dealer, including,
20 without limitation, the selection by the grantor of parts or components for the motorcycle,
21 all-terrain vehicle, or utility vehicle or any damages to merchandise occurring in transit to
22 the dealer where the carrier is designated by the grantor. The dealer shall give notice to the
23 grantor of pending suits in which allegations are made which fall under within this
24 subsection whenever reasonably practicable to do so. Any motorcycle, all-terrain vehicle,
25 or utility vehicle dealer franchise agreement issued to, amended, or renewed for
26 motorcycles, all-terrain vehicles, or utility vehicles in Georgia on or after July 1, 2007,
27 shall be deemed to incorporate provisions consistent with the requirements of this
28 subsection.

29 (g) Whenever a new motorcycle, all-terrain vehicle, or utility vehicle is damaged in transit
30 when the carrier or means of transportation is determined by the grantor or distributor or
31 whenever a motorcycle, all-terrain vehicle, or utility vehicle is otherwise damaged prior to
32 delivery to the motorcycle, all-terrain vehicle, or utility vehicle dealer or if a new
33 motorcycle, all-terrain vehicle, or utility vehicle is found to have substantial box or chassis
34 defects upon arrival at the motorcycle, all-terrain vehicle, or utility vehicle dealership, the
35 dealer must notify the grantor or distributor of such damage or such defects within ten
36 business days from the date of delivery or within a reasonable amount of additional time

1 or, if longer, such time as specified in the motorcycle, all-terrain vehicle, or utility vehicle
2 dealership franchise agreement and either:

3 (1) Request from the manufacturer or distributor authorization to replace the
4 components, parts, and accessories damaged or otherwise correct the damage; or

5 (2) Reject the vehicle.

6 If the dealer exercises the option to refuse delivery of the vehicle, the motorcycle,
7 all-terrain vehicle, or utility vehicle manufacturer must immediately repurchase such
8 vehicle.

9 (h) If the grantor or distributor refuses or fails to authorize repair of such damage within
10 ten days after receipt of notification or if the dealer rejects a motorcycle, all-terrain vehicle,
11 or utility vehicle because of damage, ownership of the new motorcycle, all-terrain vehicle,
12 or utility vehicle shall revert to the grantor or distributor and the motorcycle, all-terrain
13 vehicle, or utility vehicle dealer shall have no obligations, financial or otherwise, with
14 respect to such motorcycle, all-terrain vehicle, or utility vehicle.

15 (i) All manufacturers, distributors, and suppliers of motorcycle, all-terrain vehicle, or
16 utility vehicle components shall be subject to the provisions of this article.

17 10-1-725.10.

18 If any grantor violates this article, a motorcycle, all-terrain vehicle, or utility vehicle dealer
19 may bring an action against such grantor in a court of competent jurisdiction in the county
20 of the motorcycle, all-terrain vehicle, or utility vehicle dealer for damages sustained as a
21 consequence of the grantor's violation, together with the actual costs of the action
22 including reasonable attorney's fees; and the dealer also may be granted injunctive relief
23 against unlawful termination, cancellation, or nonrenewal and refusal to permit transfer of
24 ownership in accordance with this article.

25 10-1-725.11.

26 In any action brought by a motorcycle, all-terrain vehicle, or utility vehicle dealer against
27 a grantor under this article, any violation of this article by the grantor shall be deemed an
28 irreparable injury to the motorcycle, all-terrain vehicle, or utility vehicle dealer for
29 determining if a temporary injunction should be issued.

30 10-1-725.12.

31 It shall be unlawful for a grantor to establish a new motorcycle, all-terrain vehicle, or utility
32 vehicle dealership unless the dealer meets the requirements and definitions provided in this
33 article.

1 10-1-725.13.

2 It shall be unlawful for any dealer to sell or distribute any new motorcycle, all-terrain
3 vehicle, or utility vehicle in Georgia unless the dealer has a franchise dealership agreement
4 with a grantor with the express right to sell or distribute motorcycles, all-terrain vehicles,
5 or utility vehicles in Georgia, operates a motorcycle, all-terrain vehicle, or utility vehicle
6 dealership, and meets all of the requirements and definitions provided in this article. Any
7 dealer who does not meet the requirements of this article may participate in events where
8 motorcycles, all-terrain vehicles, or utility vehicles are exhibited or demonstrated and
9 seminars are provided but shall be prohibited from contracting to sell or distribute
10 motorcycles, all-terrain vehicles, or utility vehicles to the public."

11 **SECTION 5.**

12 This Act shall become effective on July 1, 2007, and shall apply to any agreement entered
13 into on or after July 1, 2007, and to any renewal, modification, or amendment made on or
14 after July 1, 2007, to any such agreement.

15 **SECTION 6.**

16 All laws and parts of laws in conflict with this Act are repealed.