

The House Committee on Agriculture and Consumer Affairs offers the following substitute to HB 297:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 1 of Title 10 of the Official Code of Georgia Annotated, relating to selling
2 and other trade practices, so as to provide for certain franchise agreement exemptions for
3 rallies or conventions involving more than 2,500 recreational vehicles; to provide for
4 applicability; to provide an effective date; to provide for related matters; to repeal conflicting
5 laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Chapter 1 of Title 10 of the Official Code of Georgia Annotated, relating to selling and other
9 trade practices, is amended by revising Code Section 10-1-649.14, relating to franchise
10 agreements required to sell or distribute recreational vehicles, as follows:

11 "10-1-679.14.

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

23 (b) This Code section shall not apply to any convention or rally involving more than 2,500
24 recreational vehicles which are registered with the sponsor of said event; provided,
25 however, that no dealers from outside of this state shall be invited to said event by a
26 participating manufacturer unless all franchised Georgia dealers for such participating

1 manufacturer shall be invited to said event, and there shall be no discrimination in terms
2 of sales by a manufacturer to any franchised Georgia dealer for recreational vehicles to be
3 sold at the convention or rally; nor shall any franchised Georgia dealer be required by a
4 manufacturer to purchase inventory in addition to that required under a current franchise
5 agreement between the manufacturer and such dealer in order for the dealer to participate
6 in such convention or rally. Out-of-state dealers shall register with the Department of
7 Revenue and purchase a permit 30 days prior to participating in any rally or convention in
8 Georgia. The cost of such permit shall be \$500.00 per dealer. Nothing in this subsection
9 shall be applied to impair an obligation of a contract existing on the effective date of this
10 subsection. Any manufacturer or dealer that violates this subsection shall not be eligible
11 to participate in any such events."

12 **SECTION 2.**

13 This Act shall become effective on July 1, 2008, and shall apply to any agreement entered
14 into on or after July 1, 2008, and to any renewal, modification, or amendment made on or
15 after July 1, 2008, to any such agreement.

16 **SECTION 3.**

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