



User Name: ROBERTA HOWELL

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1. [2020 Bill Text MS S.B. 2875](#)

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2020 Bill Text MS S.B. 2875

Introduced, February 17, 2020

Reporter

2020 Bill Text MS S.B. 2875

Notice

Added: Text highlighted in green

THE STATE OF MISSISSIPPI BILL TEXT > MISSISSIPPI 2020 REGULAR SESSION OF THE MISSISSIPPI LEGISLATURE > SENATE BILL 2875

Progress



OUTLOOK PENDING | [Legislative Outlook in detail](#)

Introduced

Passed 1st
Committee

Passed 1st
Chamber

Passed 2nd
Committee

Passed 2nd
Chamber

Enacted



Synopsis

AN ACT TO REVISE THE MISSISSIPPI MOTOR VEHICLE COMMISSION LAW; TO [AMEND SECTION 63-17-55, MISSISSIPPI CODE OF 1972](#), TO REVISE DEFINITIONS; TO [AMEND SECTION 63-17-85, MISSISSIPPI CODE OF 1972](#), TO REVISE PERFORMANCE OF OBLIGATIONS BETWEEN MANUFACTURERS AND **DEALERS**; TO CREATE NEW SECTION 63-17-86, MISSISSIPPI CODE OF 1972, TO SPECIFY OBLIGATIONS OF MANUFACTURERS, **DISTRIBUTORS** AND MOTOR VEHICLE **DEALERS**; AND FOR RELATED PURPOSES.

Text

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. [Section 63-17-55, Mississippi Code of 1972](#), is amended as follows:

63-17-55.

ROBERTA HOWELL

The following words, terms and phrases, when used in the Mississippi Motor Vehicle Commission Law, shall have the meanings respectively ascribed to them in this section, except where the context clearly indicates a different meaning:

(a)

"Motor vehicle" means any motor-driven vehicle of the sort and kind required to have a Mississippi road or bridge privilege license, and shall include, but not be limited to, motorcycles. "Motor vehicle" shall also mean an engine, transmission, or rear axle manufactured for installation in a vehicle having as its primary purpose the transport of person or persons or property on a public highway and having a gross vehicle weight rating of more than sixteen thousand (16,000) pounds, whether or not attached to a vehicle chassis.

(b)

"Motor vehicle **dealer**" OR "**DEALER**" means any person, firm, partnership, copartnership, association, corporation, trust or legal entity, not excluded by paragraph (c) of this section, who holds a bona fide contract or **franchise** in effect with a manufacturer, **distributor** or wholesaler of new motor vehicles, and a license under the provisions of the Mississippi Motor Vehicle Commission Law, and such duly **franchised** and licensed motor vehicle **dealers** shall be the sole and only persons, firms, partnerships, copartnerships, associations, corporations, trusts or legal entities entitled to sell and publicly or otherwise solicit and advertise for sale new motor vehicles as such.

(c)

The term "motor vehicle **dealer**" does not include:

(i)

Receivers, trustees, administrators, executors, guardians or other persons appointed by or acting under judgment, decree or order of any court;

(ii)

Public officers while performing their duties as such officers;

(iii)

Employees of persons, corporations or associations enumerated in paragraph (c)(i) of this section when engaged in the specific performance of their duties as such employees; or

(iv)

A motor vehicle manufacturer operating a project as defined in Section 57-75-5(f)(iv)1; and the provisions of the Mississippi Motor Vehicle Commission Law shall not apply to:

1.

a. Any lease by such a motor vehicle manufacturer of three (3) or fewer motor vehicles at any one time and related vehicle maintenance, of any line of vehicle produced by the manufacturer or its subsidiaries, to any one (1) employee of the motor vehicle manufacturer on a direct basis; or

b.

Any sale or other disposition of such motor vehicles by the motor vehicle manufacturer at the end of a lease through direct sales to employees of the manufacturer or through an open auction or auction limited to **dealers** of the manufacturer's vehicle line or its subsidiaries' vehicle lines; or

2.

Any sale or other disposition by such a motor vehicle manufacturer of motor vehicles for which the manufacturer obtained distinguishing number tags under Section 27-19-309(8).

(d)

"New motor vehicle" means a motor vehicle which has not been previously sold to any person except a **distributor** or wholesaler or motor vehicle **dealer** for resale.

(e)

"Ultimate purchaser" means, with respect to any new motor vehicle, the first person, other than a motor vehicle **dealer** purchasing in his capacity as such **dealer**, who in good faith purchases such new motor vehicle for purposes other than for resale.

(f)

"Retail sale" or "sale at retail" means the act or attempted act of selling, bartering, exchanging or otherwise disposing of a new motor vehicle to an ultimate purchaser for use as a consumer.

(g)

"Motor vehicle salesman" means any person who is employed as a salesman by a motor vehicle **dealer** whose duties include the selling or offering for sale of new motor vehicles.

(h)

"Commission" means the Mississippi Motor Vehicle Commission.

(i)

"Manufacturer" means any person, firm, association, corporation or trust, resident or nonresident, who manufactures or assembles new motor vehicles. **THE TERM "MANUFACTURER" INCLUDES THE TERMS "DISTRIBUTOR", "WHOLESALER," "FACTORY BRANCH," AND "DISTRIBUTOR BRANCH".**

(j)

"**Distributor**" or "wholesaler" means any person, firm, association, corporation or trust, resident or nonresident, who, in whole or in part, sells or distributes new motor vehicles to motor vehicle **dealers**, or who maintains **distributor** representatives.

(k)

"Factory branch" means a branch or division office maintained by a person, firm, association, corporation or trust who manufactures or assembles new motor vehicles for sale to **distributors** or wholesalers, to motor vehicle **dealers**, or for directing or supervising, in whole or in part, its representatives.

(l)

"**Distributor** branch" means a branch or division office similarly maintained by a **distributor** or wholesaler for the same purposes a factory branch or division is maintained.

(m)

"Factory representative" means a representative employed by a person, firm, association, corporation or trust who manufactures or assembles new motor vehicles, or by a factory branch, for the purpose of making or promoting the sale of his, its or their new motor vehicles, or for supervising or contacting his, its or their **dealers** or prospective **dealers**.

(n)

"**Distributor** representative" means a representative similarly employed by a **distributor**, **distributor** branch or wholesaler.

(o)

"Person" means and includes, individually and collectively, individuals, firms, partnerships, copartnerships, associations, corporations and trusts, or any other forms of business enterprise, or any legal entity.

(p)

"Good faith" means the duty of each party to any **franchise** agreement, and all officers, employees or agents* * *, to act in a fair and equitable manner toward each other in the performance of the respective obligations under the **franchise** agreement.

(q)

"Coerce" means to compel or attempt to compel by threat or duress. However, recommendation, exposition, persuasion, urging or argument shall not be deemed to constitute coercion.

(r)

"Special tools" are those which a **dealer** was required to purchase by the manufacturer or **distributor** for service on that manufacturer's product.

(s)

"Motor vehicle lessor" means any person, not excluded by paragraph (c) of this section, engaged in the motor vehicle leasing or rental business.

(t)

"Specialty vehicle" means a motor vehicle manufactured by a second stage manufacturer by purchasing motor vehicle components, e.g. frame and drive train, and completing the manufacturer of finished motor vehicles for the purpose of resale with the primary manufacturer warranty unimpaired, to a limited commercial market rather than the consuming public. Specialty vehicles include garbage trucks, ambulances, fire trucks, buses, limousines, hearses and other similar limited purpose vehicles as the commission may by regulation provide.

(u)

"Auto auction" means (i) any person who provides a place of business or facilities for the wholesale exchange of motor vehicles by and between duly licensed motor vehicle **dealers**, (ii) any motor vehicle **dealer** licensed to sell used motor vehicles selling motor vehicles using an auction format but not on consignment, or (iii) any person who provides the facilities for or is in the business of selling in an auction format motor vehicles.

(v)

"Motor home" means a motor vehicle that is designed and constructed primarily to provide temporary living quarters for recreational, camping or travel use.

(w)

"**Dealer**-operator" means the individual designated in the **franchise** agreement as the operator of the motor vehicle **dealership**.

(x)

"**Franchise**" or "**franchise** agreement" means a written contract or agreement between a motor vehicle **dealer** and a manufacturer or its **distributor** or factory branch by which the motor vehicle **dealer** is authorized to engage in the business of selling or leasing the specific makes, models or classifications of new motor vehicles marketed or leased by the manufacturer and designated in the agreement or any addendum to such agreement.

(y)

"Net cost" means the price the motor vehicle **dealer** pays for new motor vehicles, supplies, parts, equipment, signs, furnishings and special tools, minus any applicable discounts or subsidies obtained by the motor vehicle **dealer**.

(z)

"Line or make" means a collection of models, series, or groups of motor vehicles manufactured by or for a particular manufacturer, **distributor** or importer offered for sale, lease or distribution pursuant to a common trademark, service mark or brand name; however:

(i)

Multiple brand names or marks may constitute a single line or make, but only when included in a common motor vehicle **dealer** agreement and the manufacturer, **distributor** or importer offers such vehicles bearing the multiple names of marks together only, and not separately, to its authorized motor vehicle **dealers**.

(ii)

Motor vehicles bearing a common brand name or mark may constitute separate line or makes when such vehicles are of different vehicle types or are intended for different types of use, provided that either:

1.

The manufacturer has expressly defined or covered the subject line or makes of vehicles as separate and distinct line or makes in the applicable **dealer** agreements; or

2.

The manufacturer has consistently characterized the subject vehicles as constituting separate and distinct line or makes to its **dealer** network.

(aa)

"Site-control agreement" or "exclusive use agreement" means an agreement that, regardless of its name, title, form or the parties entering into it, has the effect of:

(i)

Controlling the use and development of the premises of a motor vehicle **dealer's franchise** or facilities;

(ii)

Requiring a motor vehicle **dealer** to establish or maintain an exclusive motor vehicle **dealership** facility on the premises of the motor vehicle **dealer's franchise** or facility;

(iii)

Restricting the power or authority of the **dealer** or the lessor, if the motor vehicle **dealer** leases the **dealership** premises, to transfer, sell, lease, develop, redevelop or change the use of the **dealership** premises, whether by sublease, lease, collateral pledge of lease, right of first refusal to purchase or lease, option to purchase or lease or any similar arrangement; or

(iv)

Establishing a valuation process or formula for the motor vehicle **dealership** premises that does not allow for the motor vehicle **dealership** premises to be transferred, sold or leased by the motor vehicle **dealer** at the highest and best use valuation for the motor vehicle **dealership** premises.

(bb)

"Market area" means the area of responsibility set forth in the **franchise** agreement.

(cc)

"Core parts" means those original vehicle manufacturer parts that are listed in the original vehicle manufacturer's or **distributor's** current parts catalog, for which there is a core charge and which are returnable to the manufacturer or **distributor**.

(DD)

"PRE-DELIVERY PREPARATION OBLIGATIONS" MEANS ALL WORK AND SERVICES, EXCEPT WARRANTY WORK, PERFORMED ON NEW MOTOR VEHICLES BY MOTOR VEHICLE **DEALERS** AT THE DIRECTION OF THE VEHICLE MANUFACTURER BEFORE THE DELIVERY OF THE VEHICLES TO THE FIRST RETAIL CONSUMER.

(EE)

"WARRANTY WORK" MEANS ALL LABOR PERFORMED, INCLUDING THAT OF A DIAGNOSTIC CHARACTER, AND ALL PARTS, INCLUDING ORIGINAL OR REPLACEMENT PARTS, AND COMPONENTS, INCLUDING ENGINE, TRANSMISSION, AND OTHER PARTS ASSEMBLIES, INSTALLED BY MOTOR VEHICLE **DEALERS** IN FULFILLING A MANUFACTURER'S OBLIGATIONS TO CONSUMERS UNDER A NEW MOTOR VEHICLE WARRANTY, A RECALL, OR A CERTIFIED PRE-OWNED WARRANTY, INCLUDING, BUT NOT LIMITED TO, THE EXPENSE OF SHIPPING OR RETURNING DEFECTIVE PARTS TO THE MANUFACTURER WHEN REQUIRED BY THE MANUFACTURER. "WARRANTY WORK" DOES NOT INCLUDE THE INCIDENTAL EXPENSES INCURRED IN PERFORMING LABOR AND INSTALLING PARTS ON MOTOR VEHICLES.

(FF)

"REPAIR ORDER" MEANS AN INVOICE, PAID BY A RETAIL CUSTOMER, AND CLOSED AS OF THE TIME OF SUBMISSION, ENCOMPASSING ONE OR MORE REPAIRS TO A NEW MOTOR VEHICLE, AND REFLECTING, IN THE CASE OF A PARTS MARKUP SUBMISSION, THE COST OF EACH PART AND THE SALE PRICE THEREOF, AND IN THE CASE OF A LABOR RATE SUBMISSION, THE LABOR HOURS ALLOCATED TO EACH JOB AND THE SALE PRICE THEREOF; AN INVOICE MAY BE SUBMITTED IN ELECTRONIC FORM.

(GG)

"QUALIFIED REPAIR" MEANS A REPAIR TO A MOTOR VEHICLE, PAID BY A RETAIL CUSTOMER, WHICH WOULD HAVE COME WITHIN THE MANUFACTURER'S NEW MOTOR VEHICLE WARRANTY BUT FOR THE MOTOR VEHICLE HAVING EXCEEDED THE CHRONOLOGICAL OR MILEAGE LIMIT OF THE WARRANTY, AND WHICH DOES NOT CONSTITUTE ANY OF THE WORK ENCOMPASSED BY SECTION 63-17-86(4).

(HH)

"QUALIFIED REPAIR ORDER" MEANS A REPAIR ORDER WHICH ENCOMPASSES, IN WHOLE OR IN PART, A QUALIFIED REPAIR OR REPAIRS.

SECTION 2. [Section 63-17-85, Mississippi Code of 1972](#), is amended as follows:

63-17-85.

The commission may deny an application for a license, or revoke or suspend a license after it has been granted, for any of the following reasons:

(a)

On satisfactory proof of unfitness of the applicant or the licensee, as the case may be, under the standards established and set out in the Mississippi Motor Vehicle Commission Law.

(b)

For fraud practiced or any material misstatement made by an applicant in any application for license under the provisions of Section 63-17-75.

(c)

For any willful failure to comply with any provision of said law or with any rule or regulation promulgated by the commission under authority vested in it by said law.

(d)

Change of condition after license is granted or failure to maintain the qualifications for license.

(e)

Continued or flagrant violation of any of the provisions of said law or of any of the rules or regulations of the commission.

(f)

For any willful violation of any law relating to the sale, distribution or financing of motor vehicles.

- (g) Willfully defrauding any retail buyer to the buyer's damage.
- (h) Willful failure to perform any written agreement with any retail buyer.
- (i) Being a manufacturer who* * * fails to specify **TO ITS MOTOR VEHICLE DEALERS** the **PRE-delivery* * * preparation obligations** of its motor vehicle **dealers** prior to delivery of new motor vehicles to retail buyers* * * , **INCLUDING** a schedule of the compensation to be paid to its motor vehicle **dealers** for the work and services they shall be required to perform in connection with such **PRE-delivery and preparation obligations* * *** **WHICH** shall constitute any such **dealer's** only responsibility for product liability as between such **dealer** and such manufacturer. The compensation as set forth on said schedule shall be reasonable and the reasonableness thereof shall be subject to the* * * **DETERMINATION BY** the commission **AS TO REASONABLENESS IF A DEALER FILES A VERIFIED COMPLAINT WITH THE COMMISSION CHALLENGING THE REASONABLENESS OF THE PRE-DELIVERY OBLIGATIONS OR COMPENSATION** . Any mechanical, body or parts defects arising from any express or implied warranties of any such manufacturer shall constitute such manufacturer's product or warranty liability.
- (j) On satisfactory proof that any manufacturer* * * has unfairly and without due regard to the equities of the parties or to the detriment of the public welfare failed to properly fulfill any warranty agreement or to adequately and fairly compensate any of its motor vehicle **dealers** for labor* * * **AND** parts* * * incurred by any such **dealer** with regard to* * * warranty* * * **WORK** performed by any such **dealer** , **AND UPON THE WRITTEN REQUEST OF A DEALER USING A FORMAT PROVIDED BY THE MANUFACTURER THAT IS CONSISTENT WITH THE REQUIREMENTS OF SECTION 63-17-86** . In no event shall any such manufacturer* * * pay to* * * **THE REQUESTING** motor vehicle **dealers* * *** **AN HOURLY** labor rate* * * **AND PARTS MARKUP** for warranty work **THAT IS** less than that charged by* * * **THE dealer** to its retail customers. **TIME ALLOWANCES FOR THE DIAGNOSIS AND PERFORMANCE OF WARRANTY WORK AND SERVICE MUST BE REASONABLE AND ADEQUATE FOR THE WORK TO USE THE ACTUAL TIME REQUIRED BY A TECHNICIAN OF ORDINARY SKILL TO PERFORM THE WORK.** No such **dealer** shall charge to its manufacturer* * * a labor rate* * * in excess of the rate charged to its retail customers. All claims made by motor vehicle **dealers** hereunder for such labor* * * **OR** parts **OR BOTH** * * * **MUST** be paid within thirty (30) days following their approval. All such claims shall be either approved or disapproved within thirty (30) days after their receipt, and when any such claim is disapproved the motor vehicle **dealer** who submits it shall be notified in writing of its disapproval within said period, and each such notice shall state the specific grounds upon which the disapproval is based.
- (k) **A MANUFACTURER MAY NOT RECOVER OR ATTEMPT TO RECOVER ALL OR ANY PORTION OF ITS COSTS OF COMPENSATING MOTOR VEHICLE DEALERS FOR WARRANTY LABOR OR PARTS, INCLUDING, BUT NOT LIMITED TO: BY REDUCTION IN THE AMOUNT DUE TO THE DEALER; BY AN INCREASE IN THE WHOLESALE PRICE OF A MOTOR VEHICLE; OR BY SEPARATE CHARGE, SURCHARGE, OR OTHER IMPOSITION. A MANUFACTURER IS NOT PROHIBITED FROM INCREASING PRICES TO ALL MOTOR VEHICLE DEALERS FOR MOTOR VEHICLES OR PARTS IN THE NORMAL COURSE OF BUSINESS. A MANUFACTURER SHALL NOT TAKE OR THREATEN TO TAKE ANY ADVERSE ACTION AGAINST A MOTOR VEHICLE DEALER DUE TO REIMBURSEMENT FOR WARRANTY LABOR OR PARTS OWED TO THE MOTOR VEHICLE DEALER.**

(L)

For the commission of any act prohibited by Sections 63-17-73 through 63-17-* * * 86 or the failure to perform any of the requirements of said sections.

If the commission finds, after notice and hearing in the manner provided for under the Mississippi Motor Vehicle Commission Law, that there is sufficient cause upon which to base the revocation of the license of any licensee involved in the hearing, the commission may in lieu of revoking such license assess a civil penalty against the guilty licensee not to exceed Ten Thousand Dollars (\$10,000.00). If the commission finds, after such notice and hearing, that sufficient cause exists for the suspension only of the license of any licensee, the commission may in lieu of suspending such license assess a civil penalty against the guilty licensee of not less than Fifty Dollars (\$50.00) nor more than Five Hundred Dollars (\$500.00) per day for each day such license would otherwise be suspended. However, the amount of such penalty shall not exceed an aggregate of Seven Thousand Five Hundred Dollars (\$7,500.00). Failure of the licensee to pay all penalties so assessed within the time allowed by the commission for the payment thereof, which time shall in no case exceed ninety (90) days from the date of the commission's order making such assessment, shall, unless an appeal is taken and perfected within the time and in the manner provided by the Mississippi Motor Vehicle Commission Law, result in an automatic revocation of such licensee's license. Any such penalties assessed by the commission remaining unpaid at the expiration of the time for payment may be recovered by an action in the name of the commission. All such actions shall be brought by the Attorney General of the State of Mississippi upon the written request of the commission to do so, and shall be brought in the chancery court of the county or the chancery court of the judicial district of the county to which the commission's order making such assessment is appealable under the provisions of Section 63-17-99. All civil penalties assessed and collected by the commission under the authority of this subsection shall be deposited in the General Fund of the State Treasury.

SECTION 3. The following shall be codified as Section 63-17-86, Mississippi Code of 1972:

63-17-86. Obligations of manufacturers, distributors and motor vehicle dealers; establishment of rate for parts and labor; establishment, rebuttal and protest.

(1)

The markup customarily charged by the dealer for parts or its labor rate may be established at the election of the dealer by the dealer submitting to the manufacturer, either by electronic transmission or tangible delivery in accordance with Section 63-17-85(j), all consecutive repair orders that include one hundred (100) sequential repair orders reflecting qualified repairs, or all repair orders closed during any period of ninety (90) consecutive days, whichever produces the fewer number of repair orders, covering repairs made no more than one hundred eighty (180) days before the submission, and declaring the parts markup or labor rate.

(2)

The dealer must calculate its labor rate by determining the total charges for labor from the qualified repairs submitted, and dividing that amount by the total number of hours that produced the charges. The dealer must calculate its parts markup by determining the total charges for parts from the qualified repairs submitted, dividing that amount by its total cost for the purchase of such parts, subtracting one (1) from that amount, and multiplying by one hundred (100) to produce a percentage.

(3)

A motor vehicle dealer seeking to establish or modify its warranty reimbursement labor rate, parts markup, or both, must no more frequently than once per twelve-month period, submit to the manufacturer:

(a)

A single set of repair orders for purposes of calculating both its labor rate and parts markup; or

(b)

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A set of repair orders for purposes of calculating either only its labor rate or only its parts markup.

(4)

In calculating the rate customarily charged by the dealer for parts and labor for purposes of this paragraph, the following shall not be included:

(a)

Repairs which are the subject of manufacturer discounts, such as special events, specials, promotions, coupons, or service campaigns.

(b)

Parts sold at wholesale.

(c)

Repairs of motor vehicles owned by the dealer.

(d)

Routine maintenance, including, but not limited to, replacements of fluids, filters, batteries, bulbs, belts, nuts, bolts, or fasteners, unless provided in the course of, and related to, a qualified repair.

(e)

Installations of accessories.

(f)

Replacements of or work on tires, wheels, or brakes, including alignments, wheel or tire rotations, or replacements of brake drums, rotors, shoes, or pads.

(g)

Vehicle reconditioning.

(h)

Safety or emission inspections required by law.

(i)

Repairs for which volume discounts have been negotiated with government agencies or insurers.

(j)

Repairs of conditions caused by collision, road hazard, the force of the elements, vandalism, theft, or owner, operator, or third-party negligence or deliberate act.

(k)

Parts that do not have individual part numbers.

(l)

Manufacturer approved and reimbursed goodwill repairs or reimbursements.

(m)

Window replacement, window tint, protective film, or other masking products.

(5)

(a)

The submitted parts markup or labor rate shall each be presumed to be reasonable, and shall go into effect forty-five (45) days after the manufacturer's receipt of its submission, unless, within that period, the manufacturer rebuts that presumption by reasonably substantiating that the submission is materially inaccurate or is materially unreasonable, and provides a full

explanation of any and all reasons that the submitted markup or rate is materially inaccurate or materially unreasonable, evidence validating each such reason, a copy of all calculations used by it demonstrating any material inaccuracy, and a proposed adjusted markup or rate, as applicable, based upon the qualified repair orders submitted by the dealer. In that event, the manufacturer may not submit more than one such rebuttal to the dealer, and may not thereafter add to, expand, supplement, or otherwise modify any element thereof, including, but not limited to, its grounds for contesting such parts markup or labor rate.

(b)

If a manufacturer determines from any set of repair orders submitted under this subsection (5) that the labor rate or parts markup calculated under this subsection (5) is substantially higher or lower than the rate currently on record with the manufacturer for labor or parts, the manufacturer may request additional repair orders for a period of either sixty (60) days before or sixty (60) days after the time period for which the repair orders were submitted for purposes of an alteration, and shall have forty-five (45) days from receiving the additional repair orders to rebut the presumption that the dealer's proposed markup and labor rates are reasonable.

(6)

If the dealer and the manufacturer do not agree on the parts markup or labor rate, as the case may be, the dealer may file a protest with the commission within sixty (60) days of receiving the manufacturer rejection of the dealer's proposed parts markup or labor rate. If such a protest is filed, the commission shall inform the manufacturer of the protest and that a hearing will be held thereon. In any such hearing, the manufacturer has the burden of proving by a preponderance of the evidence that the dealer's submitted parts markup or labor rate, or both, was materially incomplete, materially inaccurate or was unreasonable as described in subsection (5) of this section. Any increase in the dealer's parts markup or labor rate arising from such proceeding shall be effective retroactively to the date forty-five (45) days following the manufacturer's receipt of the original submission to the manufacturer. If the motor vehicle dealer prevails, the commission may award reasonable attorney's fees and expenses to the prevailing party and shall award the full amount of reimbursement that should have been paid to the motor vehicle dealer.

(7)

If a manufacturer furnishes a part or component to a dealer to use in performing warranty work at reduced or no cost, the manufacturer must compensate the dealer for the part or component in the same manner as warranty parts compensation under this section by compensating the dealer on the basis of the dealer's markup on the cost for the part or component as listed in the manufacturer's price schedule, less the cost for the part or component.

(8)

A manufacturer may not require a dealer to establish the rate customarily charged by the dealer for parts and labor by an unduly burdensome or time-consuming method or by requiring information that is unduly burdensome or time-consuming to provide.

SECTION 4. This act shall take effect and be in force from and after July 1, 2020.

History

MISSISSIPPI LEGISLATURE

2020 REGULAR SESSION

TO: HIGHWAYS AND TRANSPORTATION

BY: SENATOR(S) DOTY

SENATE BILL 2875

Sponsor(s)

Doty

Load-Date: February 22, 2020

THE STATE OF MISSISSIPPI BILL TEXT
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