

## Amendment No. 914

Assembly Amendment to Senate Bill No. 189

(BDR 43-1076)

**Proposed by:** Committee on Commerce and Labor**Amendment Box:****Resolves Conflicts with:** N/A**Amends:** Summary: No Title: No Preamble: No Joint Sponsorship: No Digest: Yes

ASSEMBLY ACTION	Initial and Date	SENATE ACTION	Initial and Date
Adopted <input type="checkbox"/> Lost <input type="checkbox"/>	_____	Adopted <input type="checkbox"/> Lost <input type="checkbox"/>	_____
Concurred In <input type="checkbox"/> Not <input type="checkbox"/>	_____	Concurred In <input type="checkbox"/> Not <input type="checkbox"/>	_____
Receded <input type="checkbox"/> Not <input type="checkbox"/>	_____	Receded <input type="checkbox"/> Not <input type="checkbox"/>	_____

Amend section 1, page 2, by deleting lines 21 through 35 and inserting:

*“3. If a manufacturer or distributor changes the area of primary responsibility of a dealer, the change constitutes a modification of the franchise of the dealer for the purposes of NRS 482.36311 to 482.36425, inclusive. As used in this subsection, “area of primary responsibility” means the geographic area in which a dealer, pursuant to a franchise agreement, is responsible for selling, servicing and otherwise representing the products of a manufacturer or distributor.”.*

SP/MSM

Date: 5/24/2005

S.B. No. 189—Makes various changes relating to franchises for sales of vehicles.



**If this amendment is adopted, the Legislative  
Counsel's Digest will be changed to read as follows:**

**Legislative Counsel's Digest:**

Existing law prohibits a manufacturer or distributor of vehicles, under certain circumstances, from modifying the franchise of a dealer. A dealer who is aggrieved by such a modification is entitled to protest the matter to, and receive a hearing before, the Director of the Department of Motor Vehicles. (NRS 482.36354)

This bill provides that if a manufacturer or distributor changes the area of primary responsibility of a dealer, the change constitutes a modification of the franchise of the dealer. This bill defines "area of primary responsibility" as the geographic area within which, pursuant to a franchise agreement, a dealer is responsible for selling, servicing and representing the products of a manufacturer or distributor.

Existing law declares that certain acts on the part of a manufacturer, distributor or the factory branch of a manufacturer are unfair practices. (NRS 482.36371-482.36395) For violations and potential violations of the statutes of this State pertaining to franchises for sales of vehicles (NRS 482.36311-482.36425), existing law provides for injunctive relief, civil remedies, and the bringing of civil actions by the Attorney General. (NRS 482.36423, 482.36425)

This bill adds to the list of unfair acts and practices by providing that it is an unfair practice for a manufacturer, distributor or factory branch to: (1) require a dealer to agree to a term or condition of a franchise agreement which violates any provision of the statutes of this State pertaining to franchises

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for sales of vehicles; or (2) prohibit or prevent a dealer from appealing the results of certain audits, or to require that such an appeal be conducted at a location other than the dealer's place of business.