

SENATE BILL 163

Introduced by Harp, et al.

1/21	Introduced
1/22	Referred to Business & Industry
1/22	First Reading
2/01	Hearing
2/04	Committee Report--Bill Not Passed
2/04	Adverse Committee Report Adopted

1 *Senate* BILL NO. *163*
 2 INTRODUCED BY *HARP* *By* *Barbara*
 3 *Smith* *Jan Nelson* *Stephanie* *Walters*
 4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT A
 5 RETAILER WHO CANCELS A RECREATIONAL VEHICLE DEALERSHIP
 6 CONTRACT IS NOT ENTITLED TO HAVE THE RETAILER'S RECREATIONAL
 7 VEHICLE INVENTORY REPURCHASED; AND AMENDING SECTION
 8 30-11-702, MCA."
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10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 **Section 1.** Section 30-11-702, MCA, is amended to read:

12 *30-11-702. Repurchase of inventory items upon
 13 cancellation of dealership or distribution contract. (1) (a)
 14 ~~ff~~ Except as provided in subsection (1)(b), if a retailer
 15 enters into a written dealership contract and either the
 16 wholesaler, manufacturer, distributor, or retailer cancels
 17 the contract, such wholesaler, manufacturer, or distributor
 18 shall, at the retailer's request, pay to the retailer, or
 19 credit to the retailer's account if the retailer has
 20 outstanding any sums owing the wholesaler, manufacturer, or
 21 distributor, an amount equal to:

22 (a)(i) 100% of the net cost of all new, unused,
 23 undamaged, and complete inventory items, except repair
 24 parts, held by the dealer at the time of cancellation; and

25 (b)(ii) 85% of the current net price of each repair part

1 carried on the most recent price list or catalog provided by
 2 the manufacturer or distributor and held by the dealer at
 3 the time of cancellation.

4 (b) Subsection (1)(a) does not apply to a retailer who
 5 cancels a written dealership contract relating to
 6 recreational vehicles.

7 (2) If a wholesaler enters into a written distribution
 8 contract and either the wholesaler, manufacturer, or
 9 distributor cancels the contract, the manufacturer or
 10 distributor shall, at the wholesaler's request, pay to the
 11 wholesaler, or credit to the wholesaler's account if the
 12 wholesaler has outstanding any sums owing to the
 13 manufacturer or distributor, an amount equal to:

14 (a) 100% of the net cost of all new, unused, undamaged,
 15 and complete inventory items, except repair parts, held by
 16 the wholesaler at the time of cancellation; and

17 (b) 85% of the current net price of each repair part
 18 carried on the most recent price list or catalog provided by
 19 the manufacturer or distributor and held by the wholesaler
 20 at the time of cancellation.

21 (3) Payment or allowance of credit to the retailer's or
 22 wholesaler's account of the sum required in subsection (1)
 23 or (2) must be made upon return of the inventory items to
 24 the wholesaler, manufacturer, or distributor. Title to such
 25 inventory items passes to the wholesaler, manufacturer, or



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1 distributor upon making such payment."

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