

1 TO THE HONORABLE SENATE:

2 The Committee on Transportation to which was referred Senate Bill No. 47
3 entitled “An act relating to motor vehicle manufacturers and motor vehicle
4 warranty or service facilities” respectfully reports that it has considered the
5 same and recommends that the bill be amended by striking out all after the
6 enacting clause and inserting in lieu thereof the following:

7 Sec. 1. 9 V.S.A. § 4085(13) is amended to read:

8 (13) “New motor vehicle dealer” means any person ~~engaged in the~~
9 ~~business of~~ who holds, or held at the time a cause of action under this chapter
10 accrued, a valid sales and service agreement, franchise, or contract granted by
11 the manufacturer or distributor for the retail sale of said manufacturer’s or
12 distributor’s new motor vehicles and is engaged in the business of any of the
13 following with respect to new motor vehicles or the parts and accessories for
14 those new motor vehicles:

15 (A) selling, or leasing;

16 (B) offering to sell, or lease;

17 (C) soliciting, or advertising the sale or lease; or

18 (D) ~~of new motor vehicles and who holds, or held at the time a cause~~
19 ~~of action under this chapter accrued, a valid sales and service agreement,~~
20 ~~franchise, or contract, granted by the manufacturer or distributor for the retail~~

1 ~~sale of said manufacturer's or distributor's new motor vehicles offering~~
2 through a subscription or like agreement.

3 Sec. 2. 9 V.S.A. § 4085(18) is added to read:

4 (18) "Non-franchised zero emissions vehicle manufacturer" means a
5 manufacturer that:

6 (A) only manufacturers zero-emission vehicles, including plug-in
7 electric vehicles as defined in 23 V.S.A. § 4(85);

8 (B) only sells or leases directly to consumers new or used zero-
9 emission vehicles that it manufactures or vehicles that have been traded in in
10 conjunction with a new zero-emission vehicle sale;

11 (C) does not currently sell or lease, and has never sold or leased,
12 motor vehicles in Vermont through a franchisee;

13 (D) has not sold or transferred a controlling interest in such non-
14 franchised zero emissions vehicle manufacturer to a franchisor, subsidiary, or
15 other entity controlled by a franchisor; and

16 (E) is a dealer registered pursuant to 23 V.S.A. chapter 7,
17 subchapter 4.

18 Sec. 3. 9 V.S.A. § 4086(i) is amended to read:

19 (i) It is unlawful for a franchisor, manufacturer, factory branch, distributor
20 branch, or subsidiary to own, operate, or control, either directly or indirectly, a
21 motor vehicle warranty or service facility located in the State except;

1 standards contained in franchise agreements, and the protection of consumer
2 data.

3 (b) Any persons that are interested in proposing amendments to the Motor
4 Vehicle Manufacturers, Distributors, and Dealers Franchising Practices Act,
5 9 V.S.A. chapter 108, shall provide them to the Department of Vehicles not
6 later than November 1, 2021. Persons may also file proposals on the
7 establishment of a direct shipper license to be administered by the Department
8 of Motor Vehicles with the Department of Motor Vehicles not later than
9 November 1, 2021. To the extent practicable, entities should cooperate and
10 file joint proposals.

11 (c) The Department of Motor Vehicles shall file a written report containing
12 any proposals it receives and its own proposal, if it so chooses, on the creation
13 and implementation of a direct shipper license with the House and Senate
14 Committees on Transportation, the House Committee on Commerce and
15 Economic Development, and the Senate Committee on Economic
16 Development, Housing and General Affairs not later than December 1, 2021.

17 Sec. 6. EFFECTIVE DATE

18 This act shall take effect on passage.

19 and that after passage the title of the bill be amended to read: “An act
20 relating to motor vehicle manufacturers, dealers, and warranty or service
21 facilities”

1 (Committee vote: _____)

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Senator _____

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FOR THE COMMITTEE

DRAFT