

CHAPTER 405

PROFESSIONS AND OCCUPATIONS

SENATE BILL 13-265

BY SENATOR(S) Kerr and Balmer, Giron, King, Newell, Todd;
also REPRESENTATIVE(S) Holbert and Kagan, Buckner, Fields, Fischer, Labuda, Lebsock, Melton, Murray, Schafer, Singer.

AN ACT**CONCERNING APPLICABILITY OF COLORADO STATUTES TO FRANCHISE AGREEMENTS BETWEEN
VEHICLE DEALERS AND THE SUPPLIERS OF THESE VEHICLES.**

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 12-6-101, **add** (1) (e) as follows:

12-6-101. Legislative declaration. (1) The general assembly hereby declares that:

(e) SUBJECT TO THE UNITED STATES CONSTITUTION AND THE COLORADO CONSTITUTION, THIS ARTICLE APPLIES TO EACH SALES, SERVICE, AND PARTS AGREEMENT IN EFFECT, REGARDLESS OF WHEN THE AGREEMENT WAS ADOPTED.

SECTION 2. In Colorado Revised Statutes, 12-6-102, **amend** (16.6) as follows:

12-6-102. Definitions. As used in this part 1 and in part 5 of this article, unless the context or section 12-6-502 otherwise requires:

(16.6) "Sales, service, and parts agreement" means an agreement between a manufacturer, distributor, or manufacturer representative and a motor vehicle or powersports dealer authorizing the dealer to sell and service a line-make of motor or powersports vehicles or imposing any duty on the dealer in consideration for the right to have or competitively operate a franchise, including any amendments or additional related agreements thereto. EACH AMENDMENT, MODIFICATION, OR ADDENDUM THAT MATERIALLY AFFECTS THE RIGHTS, RESPONSIBILITIES, OR OBLIGATIONS OF THE CONTRACTING PARTIES CREATES A NEW A SALES, SERVICE, AND PARTS AGREEMENT.

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

SECTION 3. In Colorado Revised Statutes, 12-6-115, **amend** (5) as follows:

12-6-115. Application - prelicensing education - rules. (5) (a) ~~All persons~~ EACH PERSON applying for a manufacturer's or distributor's license shall:

(I) File with the executive director a certified copy of their typical ~~written~~ SALES, SERVICE, AND PARTS agreement with all motor vehicle dealers; and ~~also~~

(II) FILE evidence of the appointment of an agent for process in the state of Colorado. ~~shall be included with the application.~~

(b) WITHIN SIXTY DAYS AFTER AMENDING OR MODIFYING OR ADDING AN ADDENDUM TO THE SALES, SERVICE, OR PARTS AGREEMENT OF MORE THAN ONE MOTOR VEHICLE DEALER, A LICENSED MANUFACTURER OR DISTRIBUTOR SHALL FILE A CERTIFIED COPY OF THE NEW SALES, SERVICE, AND PARTS AGREEMENT, INCLUDING THE CHANGES, WITH THE EXECUTIVE DIRECTOR IF THE AMENDMENT, MODIFICATION, OR ADDENDUM MATERIALLY ALTERS THE RIGHTS AND OBLIGATIONS OF THE CONTRACTING PARTIES.

SECTION 4. In Colorado Revised Statutes, 12-6-517, **amend** (5) as follows:

12-6-517. Application - rules. (5) (a) A person applying for a powersports vehicle manufacturer's or distributor's license shall:

(I) File with the executive director a certified copy of a typical ~~written~~ SALES, SERVICE, AND PARTS agreement with all powersports vehicle dealers; and ~~also~~

(II) FILE evidence of the appointment of an agent for process in the state of Colorado. ~~shall be included with the application.~~

(b) WITHIN SIXTY DAYS AFTER AMENDING OR MODIFYING OR ADDING AN ADDENDUM TO THE SALES, SERVICE, OR PARTS AGREEMENT OF MORE THAN ONE POWERSPORTS DEALER, A LICENSED MANUFACTURER OR DISTRIBUTOR SHALL FILE A CERTIFIED COPY OF THE NEW SALES, SERVICE, AND PARTS AGREEMENT, INCLUDING THE CHANGES, WITH THE EXECUTIVE DIRECTOR IF THE AMENDMENT, MODIFICATION, OR ADDENDUM MATERIALLY ALTERS THE RIGHTS AND OBLIGATIONS OF THE CONTRACTING PARTIES.

SECTION 5. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 7, 2013, if adjournment sine die is on May 8, 2013); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2014 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: June 5, 2013