
ENGROSSED SUBSTITUTE HOUSE BILL 1664

State of Washington

61st Legislature

2009 Regular Session

By House Commerce & Labor (originally sponsored by Representatives Wood, Conway, Hinkle, and Ormsby)

READ FIRST TIME 02/20/09.

1 AN ACT Relating to termination, cancellation, or nonrenewal of
2 motorsports manufacturer and dealer franchise agreements; and amending
3 RCW 46.93.080.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 46.93.080 and 2003 c 354 s 8 are each amended to read
6 as follows:

7 (1) Upon the termination, cancellation, or nonrenewal of a
8 franchise (~~by the manufacturer under this chapter~~), the manufacturer
9 shall pay the dealer, at a minimum:

10 (a) Dealer cost, less all allowances paid or credited to the dealer
11 by the manufacturer, of unused, undamaged, and unsold new motorsports
12 vehicles in the dealer's inventory that were acquired from the
13 manufacturer or another dealer of the same line make in the ordinary
14 course of business;

15 (b) Dealer cost for all unused, undamaged, and unsold supplies,
16 parts, and accessories in original packaging, except that in the case
17 of sheet metal, a comparable substitute for original packaging may be
18 used, if the supply, part, or accessory was acquired from the
19 manufacturer or from another dealer ceasing operations as a part of the

1 dealer's initial inventory, as long as the supplies, parts, and
2 accessories appear in the manufacturer's current parts catalog, list,
3 or current offering;

4 (c) Dealer cost for all unused, undamaged, and unsold inventory,
5 whether vehicles, parts, or accessories, the purchase of which was
6 required by the manufacturer;

7 (d) The fair market value of each undamaged sign owned by the
8 dealer that bears a common name, trade name, or trademark of the
9 manufacturer, if acquisition of the sign was recommended or required by
10 the manufacturer and the sign is in good and usable condition less
11 reasonable wear and tear, and has not been depreciated by the dealer
12 more than fifty percent of the value of the sign; and

13 (e) The fair market value of all special tools owned or leased by
14 the dealer that were acquired from the manufacturer or persons approved
15 by the manufacturer, and that were required by the manufacturer, and
16 are in good and usable condition, less reasonable wear and tear.
17 However, if the tools are leased by the dealer, the manufacturer shall
18 pay the dealer such amounts that are required by the lessor to
19 terminate the lease under the terms of the lease agreement.

20 (2) To the extent the franchise agreement provides for payment or
21 reimbursement to the dealer in excess of that specified in this
22 section, the provisions of the franchise agreement will control.

23 (3) The manufacturer shall pay the dealer the sums specified in
24 subsection (1) of this section within ninety days after the (~~tender of~~
25 ~~the property~~) termination, cancellation, or nonrenewal of the
26 franchise, if the dealer has clear title to the property or can provide
27 clear title to the property upon payment by the manufacturer and is in
28 a position to convey that title to the manufacturer.

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