

## Session 124 - (2021-2022)

**S\*0510 (Rat #0044, Act #0031 of 2021) General Bill, By Grooms, Verdin, Davis, Adams, Bennett, Campsen, Climer, Corbin, Cromer, Gambrell, Hembree, Hutto, K. Johnson, Kimbrell, Loftis, Massey, McElveen, Peeler, Senn, Shealy, Talley, Turner, Williams, Young, Alexander, Goldfinch, Harpootlian, Jackson, M. Johnson, Kimpson, Matthews, Rice, Sabb, Setzler, Stephens, Rankin, Scott, Garrett, Fanning, Leatherman, Gustafson, Cash, Allen and Malloy**

**Summary:** Regulations of motor vehicles manufacturers

AN ACT TO AMEND SECTION 56-15-10, AS AMENDED CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO DEFINITIONS FOR THE REGULATION OF MOTOR VEHICLE MANUFACTURERS, DISTRIBUTORS, AND DEALERS, SO AS TO REVISE THE DEFINITION OF CERTAIN TERMS AND PROVIDE ADDITIONAL TERMS AND THEIR DEFINITIONS; BY ADDING SECTION 56-15-35, SO AS TO PROVIDE FOR THE HANDLING OF CERTAIN CONSUMER DATA BY FRANCHISORS, MANUFACTURERS, DISTRIBUTORS, OR THIRD PARTY AFFILIATES; TO AMEND SECTION 56-15-40, RELATING TO SPECIFIC ACTS DEEMED UNFAIR METHODS OF COMPETITION AND UNFAIR OR DECEPTIVE ACTS OR PRACTICES REGARDING MOTOR VEHICLE MANUFACTURERS, DISTRIBUTORS, AND DEALERS, SO AS TO DEFINE CERTAIN TERMS, REVISE THE PROVISIONS RELATING TO CERTAIN ENTITIES TAKING ADVERSE ACTIONS AGAINST A DEALER FOR OFFERING OR DECLINING TO OFFER PROMOTIONS, SERVICE CONTRACTS, DEBT CANCELLATION AGREEMENTS, MAINTENANCE AGREEMENTS, OR OTHER SIMILAR PRODUCTS, TERMINATING OR CANCELING A FRANCHISE OR SELLING AGREEMENTS TO A DEALER WITHOUT DUE CAUSE, AND PROVIDE THAT CERTAIN ADDITIONAL CONDUCT CONSTITUTES A VIOLATION OF THIS SECTION; TO AMEND SECTION 56-15-45, RELATING TO OWNERSHIP, OPERATION OR CONTROL OF COMPETING DEALERSHIPS BY MANUFACTURERS OR FRANCHISORS, SO AS TO PROVIDE FOR A DATE CHANGE, TO DELETE QUALIFICATIONS FOR AN EXEMPTION, AND TO PROVIDE A MANUFACTURER MAY NOT LEASE OR ENTER INTO SUBSCRIPTION AGREEMENTS EXCEPT TO A NEW DEALER HOLDING FRANCHISES IN THE LINE MAKE THAT INCLUDES THE VEHICLES; TO AMEND SECTION 56-15-46, RELATING TO THE NOTICE OF INTENT TO ESTABLISH OR RELOCATE COMPETING DEALERSHIPS, SO AS TO REVISE THE RADIUS THAT PERTAINS TO THE AREA IN WHICH FRANCHISORS INTEND TO ESTABLISH NEW DEALERSHIPS NEAR AN EXISTING DEALERSHIP, ADD A TIME REQUIREMENT FOR NOTICE, AND REVISE THE CIRCUMSTANCES FOR WHICH THIS SECTION DOES NOT APPLY; TO AMEND SECTION 56-15-50, RELATING TO THE REQUIREMENT THAT MANUFACTURERS MUST SPECIFY DELIVERY AND PREPARATION OBLIGATIONS OF DEALERS, FILING OF COPY OF OBLIGATIONS, AND SCHEDULE OF COMPENSATION, SO AS TO PROVIDE MANUFACTURERS AND FRANCHISORS SHALL INDEMNIFY AND HOLD HARMLESS ITS FRANCHISED DEALERS UNDER CERTAIN CIRCUMSTANCES; TO AMEND SECTION 56-15-60, RELATING TO THE FULFILLMENT OF WARRANTY AGREEMENTS AND A DEALER'S CLAIMS FOR COMPENSATION, SO AS TO REVISE THE PROVISIONS RELATING TO WARRANTY AGREEMENTS THAT AFFECT CERTAIN MOTOR VEHICLE MANUFACTURERS, DEALERS, DISTRIBUTORS, FACTORY BRANCHES, AND DISTRIBUTOR BRANCHES; TO AMEND SECTION 56-15-65, RELATING TO REQUIREMENTS FOR CHANGES OF LOCATION OR ALTERATION OF DEALERSHIPS, SO AS TO PROVIDE CERTAIN CONDUCT BY MANUFACTURERS, DISTRIBUTORS, FACTORY REPRESENTATIVES, OR DISTRIBUTOR REPRESENTATIVES IS A VIOLATION OF THIS SECTION; TO AMEND SECTION 56-15-70, RELATING TO CERTAIN UNREASONABLE RESTRICTIONS ON DEALERS OR FRANCHISEES THAT ARE UNLAWFUL, SO AS TO PROVIDE ADDITIONAL RESTRICTIONS THAT ARE UNLAWFUL; TO AMEND SECTION 56-15-90, RELATING TO THE FAILURE TO RENEW, THE TERMINATION OR RESTRICTION OF TRANSFERS OF A FRANCHISE, AND DETERMINING REASONABLE COMPENSATION FOR THE VALUE OF DEALERSHIP FRANCHISES, SO AS TO REVISE THE PROVISIONS RELATING TO THE DETERMINATION OF FAIR AND REASONABLE COMPENSATION FOR BUSINESSES; AND TO AMEND SECTION 56-15-140, RELATING TO VENUE FOR ACTIONS RELATING TO THE REGULATION OF VEHICLE MANUFACTURERS, DISTRIBUTORS, AND DEALERS, SO AS TO PROVIDE THE VENUE IS IN THE STATE COURTS IN SOUTH CAROLINA. - ratified title

<b>02/02/21</b>	<b>Senate</b>	<b>Introduced and read first time (Senate Journal-page 2)</b>
<b>02/02/21</b>	<b>Senate</b>	<b>Referred to Committee on Transportation (Senate Journal-page 2)</b>
<b>02/03/21</b>	<b>Senate</b>	<b>Committee report: Favorable Transportation (Senate Journal-page 42)</b>
<b>03/02/21</b>	<b>Senate</b>	<b>Amended (Senate Journal-page 14)</b>
<b>03/02/21</b>	<b>Senate</b>	<b>Read second time (Senate Journal-page 14)</b>
<b>03/02/21</b>	<b>Senate</b>	<b>Roll call Ayes-44 Nays-0 (Senate Journal-page 14)</b>
<b>03/03/21</b>	<b>Senate</b>	<b>Read third time and sent to House (Senate Journal-page 15)</b>
<b>03/04/21</b>	<b>House</b>	<b>Introduced and read first time (House Journal-page 5)</b>
<b>03/04/21</b>	<b>House</b>	<b>Referred to Committee on Labor, Commerce and Industry (House Journal-page 5)</b>

04/22/21	House	Committee report: Favorable with amendment Labor, Commerce and Industry (House Journal-page 6)
04/27/21	House	Amended (House Journal-page 103)
04/27/21	House	Read second time (House Journal-page 103)
04/27/21	House	Roll call Yeas-xxx Nays-xxx (House Journal-page 103)
04/28/21	House	Read third time and returned to Senate with amendments (House Journal-page 10)
04/28/21	Senate	Concurred in House amendment and enrolled (Senate Journal-page 11)
04/28/21	Senate	Roll call Ayes-40 Nays-0 (Senate Journal-page 11)
05/06/21		Signed By Governor
05/04/21		Ratified R 44
05/13/21		Effective date 08/4/21
05/13/21		Act No. 31