House of Representatives State of Utah



318 STATE CAPITOL • SALT LAKE CITY, UTAH 84114 • (801) 538–1029 • FAX: (801) 538–1908

February 16, 2004

Mr. Speaker:

The Business and Labor Committee reports a favorable recommendation on **H.B. 292**, VEHICLE FRANCHISE AMENDMENTS, by Representative B. Last, with the following amendments:

- 1. Page 1, Lines 16 through 18:
 - 16 ► [[-provides-]] <u>changes the date</u> that a franchisee must receive written notice [[-within 12 months, instead of
 - 17 **24 months,**]] of a chargeback levied by a franchisor for sales compensation or a sales
 - 18 incentive for the chargeback to be compensable;
- 2. Page 8, Lines 227 through 231:
 - 227 (b) Except as provided in Subsection (9)(c), all charge backs levied by a franchisor for
 - 228 sales compensation or sales incentives arising out of the sale or lease of a motor vehicle sold <u>or leased</u> by
 - 229 a franchisee shall be compensable only if written notice of the charge back is received by the
 - 230 franchisee within [24] 12 months immediately following <u>the date when the sales</u> <u>incentive program terminates, but no later than 24 months following</u> the date when payment for the sales
 - 231 compensation <u>or sales incentive</u> was made by the franchisor <u>to the franchisee</u>.

Respectfully,

Katherine M. Bryson Committee Chair

Voting: 10-0-3 3 HB0292.HC1.WPD 2/16/04 5:05 pm msteinagel/MBS SCH/BNC





