



UTAH STATE SENATE

UTAH STATE CAPITOL COMPLEX • 320 STATE CAPITOL
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February 16, 2010

Mr. President:

The Transportation and Public Utilities and Technology Committee recommends **S.B. 129**, NEW MOTOR VEHICLE FRANCHISE AMENDMENTS, by Senator D. Liljenquist, be replaced and favorably recommends **1st Sub. S.B. 129**, NEW MOTOR VEHICLE FRANCHISE AMENDMENTS with the following amendments:

1. *Page 17, Lines 513 through 521:*

513 (8) A franchisee's claim for warranty compensation may [~~not~~] be denied [~~except for~~
514 ~~good cause such as performance of nonwarranty repairs, lack of material documentation,~~
~~fraud,~~
515 ~~or misrepresentation.] only if:~~

516 (a) the franchisee's claim is based on a nonwarranty repair;
517 (b) the franchisee lacks material documentation for the claim;
518 (c) the franchisee fails to comply materially with specific substantive terms and
519 conditions of the franchisor's warranty compensation program: or
520 (d) the franchisor has a bona fide belief based on competent evidence that the
521 franchisee's claim is intentionally false, fraudulent, or misrepresented.

2. *Page 18, Lines 534 through 538:*

534 (ii) A franchisee may respond in writing within 30 days after the notice under
535 Subsection (9)(c)(i) to:

Bill Number



SB0129S01

Action Class



S

Action Code



SCRSUBAMD

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536 (A) explain a deficiency; or
537 (B) provide materials or information to correct **and cure** compliance with a provision that is a
538 basis for a charge back.

Respectfully,

Stephen H. Urquhart
Committee Chair

Voting: 7-0-0

7 SB0129.SC1.WPD lelder/LGE RHR/AMN 2/16/10 4:02 pm