BILL SUMMARY

1st Session of the 60th Legislature

Bill No.: HB 2160
Version: POLPCS1
Request Number: 12302
Author: Rep. Dobrinski
Date: 2/5/2025
Impact: \$0

Research Analysis

The Policy Committee Substitute to HB 2160 makes numerous changes to the regulation of the franchise agreements of new motor vehicles and powersport vehicles. The measure includes factories as an entity to be regulated. The measure clarifies new powersports dealers and salespersons as regulated entities. The measure removes new powersports dealerships from the provisions which require refusal when the franchise is subject to sale. The measure requires that if a proposed new motor vehicle dealership sale or transfer includes the sale, transfer, or lease of the real property and improvements, then the right of first refusal must include the same terms for the purchase or lease of the real property and all improvements for the same or greater consideration as the new motor vehicle dealer has contracted to receive in connection with the proposed sale or transfer. The measure outlines conditions of sale of a dealership when more than one dealership is owned in whole or in part by the selling dealer. The measure requires written notice of intent to exercise right of first refusal. The measure outlines procedures regarding the treatment of deficiencies during compliance periods prior to any termination of agreement.

Prepared By: Brad Wolgamott

Fiscal Analysis

The Proposed Policy Committee Substitute for HB 2160 modifies legislative intent, definitions, reasonable compensation and fair market value regarding certain entities, and certain requirements pursuant to Title 47 O.S. Chapter 62. Additionally, the measure authorizes certain filings, and the denial, suspension, revocation, or imposition of fines for certain registrations pertaining to the Oklahoma New Motor Vehicle Commission (ONMVC), dealerships, manufacturers, and distributors. The measure also adds language regarding the proper measurement of distance between property boundary points for certain dealerships. Ultimately, ONMVC is a non-appropriated state agency, and any anticipated costs are expected to be absorbable by existing agency resources. Therefore, any associated costs or savings will be realized by the agency's budget, rather than the state budget.

Prepared By: Zach Lein, House Fiscal Staff

Other Considerations

None.

