Bill Summary

2nd Session of the 59th Legislature

Bill No.: SB 377
Version: CS
Request No.: 1703
Author: Sen. Frix
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Bill Analysis

SB 377 modifies good cause as it relates to the Fair Practices of Equipment Manufacturers, Distributors, Wholesalers and Dealers Act. The measure specifies that good cause shall not include a change in the executive management of the dealer unless the supplier can demonstrate that the change is detrimental to the representation of the supplier's products. The measure also expands the list of violations listed in the Act to include any attempt to prevent a dealer from being a party to a dealer agreement that authorizes the dealer to sell competing product lines or makes of equipment or performing the dealer's obligations, or to require a dealer to provide separate facilities for competing product lines or makes of equipment. Suppliers must show good cause to deny the request for sale or transfer.

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