

STATE OF OKLAHOMA

1st Session of the 46th Legislature (1997)

HOUSE BILL NO. 1327

By: Glover

AS INTRODUCED

An Act relating to motor vehicles; amending 47 O.S.

1991, Section 578, which relates to establishing or relocating a new motor vehicle dealership; specifying location restrictions; modifying time period for certain notices; modifying party with burden of proof for protests; eliminating area restriction for relocation of existing dealership; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 47 O.S. 1991, Section 578, is amended to read as follows:

Section 578. In the event that a manufacturer seeks to enter into a franchise establishing a new motor vehicle dealership or relocating an existing new motor vehicle dealership ~~within or into a relevant market area where the same line-make is then represented~~ this state, the manufacturer shall in writing first notify the Oklahoma Motor Vehicle Commission and each new motor vehicle dealer of such line-make ~~in the relevant market area~~ within fifteen (15) miles of the proposed location of the intention to establish or relocate a dealership ~~within or~~ into that market area. ~~The relevant market area is the area within a radius of fifteen (15) miles of the~~

~~site of the proposed new motor vehicle dealership.~~ Within ~~fifteen~~
~~(15)~~ thirty (30) days of receiving such notice such new motor
vehicle dealer may file with the Commission a protest to the
establishing or relocating of the proposed new motor vehicle
dealership. When such a protest is filed, the Commission shall
inform the manufacturer that a timely protest has been filed, and
that the manufacturer shall not establish or relocate the proposed
new motor vehicle dealership until the Commission has held a
hearing, nor thereafter, if the Commission has determined that there
is good cause for not permitting such new motor vehicle dealership.
The Commission shall render a final decision no later than sixty
(60) days after the Commission's receipt of the notice of protest.
In any hearing held under this section on additional dealerships or
relocation of dealerships the ~~protesting dealer or dealers~~
manufacturer shall have the burden of proof. For the purposes of
this section, the reopening in a ~~relevant~~ market area of a new motor
vehicle dealership that has not been in operation for two (2) years
or more shall be deemed the establishment of a new motor vehicle
dealership. Furthermore, ~~the relocation of an existing dealer~~
~~within its area of responsibility shall not be subject to this~~
~~section, provided the proposed relocation site is not within five~~
~~(5) miles of an existing dealer of the same line make.~~ For the
~~purpose of this section,~~ the designation of an additional location
in an existing franchise agreement shall be deemed to be the
establishment of a new motor vehicle dealership.

SECTION 2. This act shall become effective November 1, 1997.

46-1-6231

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