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State of Minnesota

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HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH SESSION

HOUSE FILE No. 413

January 29, 2007

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The bill was read for the first time and referred to the Committee on Commerce and Labor

March 8, 2007

Committee Recommendation and Adoption of Report:

To Pass as Amended and re-referred to the Committee on Taxes

May 15, 2007

Committee Recommendation and Adoption of Report:

To Pass as Amended

Read Second Time

May 19, 2007

Calendar For The Day, Amended

Read Third Time as Amended

Passed by the House as Amended and transmitted to the Senate to include Floor Amendments

1.1 A bill for an act
1.2 relating to commerce; creating an outdoor sport equipment dealership agreement
1.3 task force.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. OUTDOOR SPORT EQUIPMENT DEALERSHIP AGREEMENT
1.6 TASK FORCE.

1.7 (a) A task force is created to study dealership agreements between outdoor sport
1.8 equipment manufacturers and outdoor sport equipment dealers. The task force shall
1.9 study issues relating to state regulation of dealership agreements including terminations
1.10 and cancellations, warranties, remedies, and violations. For purposes of this section, the
1.11 following terms have the meanings given:

1.12 (1) "outdoor sport equipment" means snowmobiles as defined in Minnesota Statutes,
1.13 section 84.81, subdivision 3; all-terrain vehicles as defined in Minnesota Statutes, section
1.14 84.92, subdivision 8; personal watercraft as defined in Minnesota Statutes, section
1.15 86B.005, subdivision 14a; watercraft as defined in Minnesota Statutes, section 86C.01;
1.16 and motorcycles, as defined in Minnesota Statutes, section 65B.001, subdivision 5;

1.17 (2) "outdoor sport equipment manufacturer" or "manufacturer" means a person,
1.18 partnership, corporation, association, or other form of business enterprise engaged in the
1.19 manufacturing, assembly, or wholesale distribution of outdoor sport equipment; and

1.20 (3) "outdoor sport equipment dealer" or "dealer" means a person, partnership,
1.21 corporation, association, or other form of business enterprise engaged in acquiring
1.22 outdoor sport equipment from a manufacturer and reselling the outdoor sport equipment at
1.23 wholesale or retail.

1.24 (b) The membership of the task force consists of:

- 2.1 (1) five members designated by the national manufacturers associations;
- 2.2 (2) five Minnesota members designated by the retailers associations representing
- 2.3 each segment of outdoor sport equipment described in paragraph (a);
- 2.4 (3) two members of the Minnesota house of representatives, one appointed by the
- 2.5 speaker of the house and one appointed by the minority leader; and
- 2.6 (4) two members of the Minnesota senate, one appointed by the senate majority
- 2.7 leader and one appointed by the senate minority leader.
- 2.8 (c) Nonlegislative members shall not be compensated.
- 2.9 (d) The commissioner of commerce shall set the time and place for the first meeting
- 2.10 of the task force, which must be no later than July 1, 2007. The task force shall elect a
- 2.11 chair from among its members. On or before February 1, 2008, the task force shall report
- 2.12 the results of its study and make recommendations with respect to dealership agreements
- 2.13 to the chairs of the house and senate committees with jurisdiction over commerce. The
- 2.14 task force expires April 15, 2008.
- 2.15 **EFFECTIVE DATE.** This section is effective the day following final enactment.