



Sen. Dale Fowler

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10300HB4925sam001

LRB103 37949 JDS 73164 a

1 AMENDMENT TO HOUSE BILL 4925

2 AMENDMENT NO. _____. Amend House Bill 4925 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Motor Vehicle Franchise Act is amended by
5 changing Section 10.1 as follows:

6 (815 ILCS 710/10.1) (from Ch. 121 1/2, par. 760.1)

7 Sec. 10.1. (a) As used in this Section, "motorcycle" means
8 every motor vehicle having a seat or saddle for the use of the
9 rider and designed to travel with 3 or less wheels in contact
10 with the ground, excluding farm, garden, and lawn equipment,
11 and including off-highway vehicles.

12 (b) It shall be deemed a violation for a manufacturer, a
13 distributor, a wholesaler, a distributor branch or division,
14 or officer, agent, or other representative thereof:

15 (1) To require a motorcycle franchisee to participate
16 in a retail financing plan or retail leasing plan or to

1 participate in any retail consumer insurance plan.

2 (2) To own, to operate or to control any motorcycle
3 dealership in this State for a period longer than 2 years.

4 (3) (Blank).

5 (4) To require a motorcycle dealer to utilize
6 manufacturer approved floor fixtures for the display of
7 any product that is not a product of the manufacturer.

8 (5) To require a motorcycle dealer to purchase
9 lighting fixtures that are to be installed in the
10 dealership only from the manufacturer's approved vendors.

11 (6) To require a motorcycle dealer to relocate to a
12 new or alternate facility.

13 (7) To coerce or require any motorcycle dealer to
14 construct improvements to the dealer's facility at a
15 substantial cost to the dealer or to condition any
16 motorcycle dealer's eligibility for payments under any
17 discount, credit, rebate, sales incentive, or similar
18 program on the dealer constructing improvements to the
19 dealer's facility at a substantial cost to the dealer. As
20 used in this paragraph (7), "substantial cost" means an
21 amount equal to or greater than 10% of a motorcycle
22 dealer's average annual net profits for the 3 years
23 preceding the proposed improvements to that dealer's
24 facility.

25 Whenever any motorcycle dealer enters into a franchise
26 agreement, evidenced by a contract, with a wholesaler,

1 manufacturer, or distributor wherein the franchisee agrees to
2 maintain an inventory and the contract is terminated by the
3 wholesaler, manufacturer, distributor, or franchisee, then the
4 franchisee may require the repurchase of the inventory as
5 provided for in this Act. If the franchisee has any
6 outstanding debts to the wholesaler, manufacturer, or
7 distributor, then the repurchase amount may be credited to the
8 franchisee's account. The franchise agreement shall either
9 expressly or by operation of law have as part of its terms a
10 security agreement whereby the wholesaler, manufacturer, or
11 distributor agrees to and does grant a security interest to
12 the motorcycle dealer in the repurchased inventory to secure
13 payment of the repurchase amount to the dealer. The
14 perfection, priority, and other matters relating to the
15 security interest shall be governed by Article 9 of the
16 Uniform Commercial Code. The provisions of this Section shall
17 not be construed to affect in any way any security interest
18 that any financial institution, person, wholesaler,
19 manufacturer, or distributor may have in the inventory of the
20 motorcycle dealer.

21 (c) The provisions of this Section 10.1 are applicable to
22 all new or existing motorcycle franchisees and franchisers and
23 are in addition to the other rights and remedies provided in
24 this Act, and, in the case of a conflict with other provisions
25 contained in this Act, with respect to motorcycle franchises,
26 this Section shall be controlling.

1 (d) The filing of a timely protest by a motorcycle
2 franchise before the Motor Vehicle Review Board as prescribed
3 by Sections 12 and 29 of this Act, shall stay the effective
4 date of a proposed additional franchise or selling agreement,
5 or the effective date of a proposed motorcycle dealership
6 relocation, or the effective date of a cancellation,
7 termination, or modification, or extend the expiration date of
8 a franchise or selling agreement by refusal to honor
9 succession to ownership or refusal to approve a sale or
10 transfer pending a final determination of the issues in the
11 hearing.

12 (Source: P.A. 100-863, eff. 8-14-18.)

13 Section 99. Effective date. This Act takes effect upon
14 becoming law."