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LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
04/06/2009	.	
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	.	

The Committee on Commerce (Gelber) recommended the following:

Senate Amendment

Delete lines 753 - 790
and insert:

fewer than 75 ~~50~~ retail customer repair orders in that period. The motor vehicle dealer shall give the licensee 10 days' written notice that it intends to make a written request to the licensee for a warranty parts reimbursement increase and permit the licensee, within that 10-day period, to select the initial retail customer repair for the consecutive repair orders that will be attached to the written request used for the markup computation, provided that if the licensee fails to provide a



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13 timely selection, the dealer may make that selection. No repair
14 order shall be excluded from the markup computation because it
15 contains both warranty, extended warranty, certified pre-owned
16 warranty, maintenance, recall, campaign service, or authorized
17 goodwill work and a retail customer repair. However, only the
18 retail customer repair portion of the repair order shall be
19 included in the computation, and the parts described in
20 paragraph (b) shall be excluded from the computation; or

21 2. The licensee's highest suggested retail or list price
22 for the parts, ~~or~~

23 ~~3. An amount equal to the dealer's markup over dealer cost~~
24 ~~that results in the same gross profit percentage for parts used~~
25 ~~in work done under subsection (1) as the dealer receives for~~
26 ~~parts used in the customer retail repairs, as evidenced by the~~
27 ~~average of said dealer's gross profit percentage in the dealer's~~
28 ~~financial statements for the 2 months preceding the dealer's~~
29 ~~request.~~

30
31 If a licensee reduces the suggested retail or list price for any
32 replacement part or accessory, it also shall reduce, by at least
33 the same percentage, the cost to the dealer for the part or
34 accessory. The dealer's markup or gross profit percentage shall
35 be uniformly applied to all of the licensee's parts used by the
36 dealer in performing work covered by subsection (1).

37 (b) In calculating the compensation to be paid for parts by the
38 arithmetical mean percentage markup over dealer cost method in
39 paragraph (a), parts discounted by a dealer for repairs made in
40 group, fleet, insurance, or other third-party payer service
41 work; parts used in repairs of government agencies' vehicles



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42 ~~repairs~~ for which volume discounts have been negotiated; parts