



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 6616 (Substitute H-2 as reported without amendment)
House Bill 6617 (Substitute H-1 as reported without amendment)
Sponsor: Representative David Palsrok (H.B. 6616)
Representative Joel Sheltroun (H.B. 6617)
House Committee: Tourism, Outdoor Recreation and Natural Resources
Senate Committee: Commerce and Tourism

CONTENT

House Bill 6617 (H-2) would create the "Recreational Vehicle Franchise Act" to do the following:

- Prohibit a manufacturer or a dealer from selling a recreational vehicle (RV) in Michigan without a dealer agreement.
- Prohibit a manufacturer or dealer from terminating or declining to renew a dealer agreement without good cause.
- Prescribe procedures for the termination or nonrenewal of an agreement.
- Require a dealer to notify a manufacturer of a proposed transaction that would result in a change of ownership, and give the manufacturer an opportunity to object.
- Prescribe a warrantor's obligations to a dealer.
- Prohibit specified actions by a warrantor or dealer.
- Prescribe procedures a dealer and manufacturer would have to follow if a dealer received damaged RVs.
- Prohibit coercive actions by a manufacturer.
- Allow a dealer, manufacturer, or warrantor to bring a civil action for a violation of the proposed Act.
- Require the parties to a dispute to attempt mediation before bringing a civil action.
- In addition to any other available remedy, allow a party to apply for an injunction or other equitable relief for specified violations.

House Bill 6616 (H-1) would amend the Michigan Vehicle Code to include park model trailers in provisions regarding the transport of mobile homes.

"Park model trailer" would mean a vehicle that meets all of the following:

- Is built on a single chassis, mounted on wheels, and designed to be towed by a motor vehicle from time to time.
- Requires a mobile home permit to be towed on a street or highway.
- Is designed to provide recreational seasonal or temporary living quarters.
- When used as recreational seasonal or temporary living quarters, may be connected to utilities necessary for the operation of installed fixtures and appliances.
- Is not a mobile home under the Mobile Home Commission Act.

The Code prescribes the maximum dimensions of a mobile home being towed on a street or highway, provides for special permits for the towing of a mobile home that exceeds the

maximum dimensions, prescribes other requirements for the transport of a mobile home, and authorizes the State Transportation Commission to order the Michigan Department of Transportation to cease issuing the permits under certain conditions. A person who violates these provisions is responsible for a civil infraction and may be assessed a civil fine of up to \$500. Under the bill, these provisions also would apply to the towing of a park model trailer.

The bills are tie-barred to each other. House Bill 6617 (H-2) would take effect July 1, 2009.

MCL 257.216 et al. (H.B. 6616)

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bills would have no fiscal impact on State or local government.

Date Completed: 12-10-08

Fiscal Analyst: Joe Carrasco
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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.