



Governor Newsom Signs AB 473, Against Massive Manufacturer Opposition, That Will Give Motorcycle Dealers More Tools to Curb OEM Excesses

On Saturday, October 7, Governor Newsom signed AB 473 into law. The CMDA has worked tirelessly, this year to pass AB 473, the first far-reaching motor vehicle franchise reform bill to reach this stage in many years.

AB 473 is authored by Cecilia Aguiar-Curry (D-Winters), and sponsored by the California New Car Dealers Association (CNCDA). The California dealer franchise law statutes that have been modified by AB 473, apply to all motor vehicles that fall under that definition in the vehicle code.

That includes motorcycles, ATVs and recreational off-highway vehicles (Side x Sides).

The bill was introduced in February of this year, and was met with wide acceptance in the legislative committees it which it had to be heard in during its journey through the Legislature.

Its author has been traditionally a friend to auto and motorcycle dealers, and a fairly influential member of the majority party in Sacramento.

When the leadership of the Assembly changed, during the summer, and Rober Rivas became Speaker of the Assembly, as he began the reorganization of the legislative committee heads, one of his first official actions was to select the bill's author, Aguiar-Curry, to serve as the Speaker pro Tempore, who presides over the Assembly Floor Sessions.

This position is the second most powerful one in the California Assembly, which could not have hurt AB 473's journey through the Legislature.

The bill was amended six times that resulted in some key provisions being dropped from the bill. These deletions included a comprehensive reform of the warranty reimbursement program that made it

fairer for dealers to be reimbursed for actual time spent on fixing motorcycles whose OEM's parts broke during the factory warranty period.

Another provision removal was a right to protest dealer "incentive program" requirements. *Maybe we'll try again Next Year!*

The CMDA's experienced lobbying team spent many hours and much energy visiting Assemblymember and Senate offices to explain why this franchise protection bill was so important to motorcycle dealers.

The trade association for motorcycle manufacturers, the Motorcycle Industry Council (MIC) and their subsidiary OEM trade associations for ATVs and Side x Sides, the SVIA and ROHVA, fought long and hard trying to strip the powersports products, that our members sell, from the provisions of the bill and when that didn't work, asked the Governor to veto AB 473.

That also failed, but it demonstrates how important the dealer protections contained in the bill were for manufacturers to oppose their inclusion!

Now, the CMDA wants to extend its sincere thanks and appreciation for the scores of our members — *YOU*, for contacting the Governor's office by letter, e-mail or telephone to support his signing of AB 473! Without your grassroots support, we don't know if the bill would have become law.

A more extensive report of the bill, and its provisions, will be featured in the Fall issue of the next *CMDA Update* newsletter, now in preparation. ♦

