

SECOND REGULAR SESSION

# SENATE BILL NO. 779

90TH GENERAL ASSEMBLY

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INTRODUCED BY SENATORS MATHEWSON AND JOHNSON.

Read 1st time January 6, 2000, and 1,000 copies ordered printed.

3440S.011

TERRY L. SPIELER, Secretary.

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## AN ACT

To repeal sections 407.850 and 407.870, RSMo 1994, relating to farm machinery inventory repurchase, and to enact in lieu thereof two new sections relating to the same subject.

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*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Sections 407.850 and 407.870, RSMo 1994, are repealed and two new sections enacted in lieu thereof, to be known as sections 407.850 and 407.870, to read as follows:

407.850. As used in sections 407.850 to 407.885, the following terms mean:

(1) "Current model", a model listed in the wholesaler's, manufacturer's or distributor's current sales manual or any supplements thereto;

(2) "Current net price", the price listed in the wholesaler's, manufacturer's or distributor's price list or catalogue in effect at the time the contract is canceled or discontinued, less any applicable trade and cash discounts;

(3) "Inventory", farm implements, machinery, attachments and repair parts;

(4) "Net cost", the price the retailer actually paid for the merchandise to the wholesaler, manufacturer or distributor, plus freight from the wholesaler's, manufacturer's or distributor's location to the dealer's location;

(5) "Retailer", any person, firm or corporation engaged in the business of selling and retailing:

(a) Farm implements, machinery, attachments or repair parts[.];

(b) **Industrial, maintenance and construction power equipment; or**

(c) **Outdoor power equipment used for lawn, garden, golf course, landscaping or grounds maintenance;**

**EXPLANATION--Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

but shall not include retailers of petroleum and motor vehicles and related automotive care and replacement products normally sold by such retailers [and shall not include retailers of lawn and garden equipment not primarily engaged in the farm equipment business].

407.870. The provisions of sections 407.850 to 407.885 shall not require the repurchase from a retailer of:

(1) [Any repair part which has a limited storage life or is otherwise subject to deterioration, such as rubber items, gaskets or batteries;

(2) Any repair part which is in a broken or damaged package;

(3) Any single repair part which is priced as a set of two or more items;

(4)] Any repair part which because of its condition is not resalable as a new part without repackaging or reconditioning;

[[5)] (2) Any inventory for which the retailer is unable to furnish evidence, satisfactory to the wholesaler, manufacturer or distributor, of title, free and clear of all claims, liens and encumbrances;

[[6)] (3) Any inventory which the retailer desires to keep, provided the retailer has a contractual right to do so;

[[7)] (4) Any implements, machinery, and attachments which are not in new, unused, undamaged, or complete condition;

[[8)] (5) Any repair parts which are not in new, unused, or undamaged condition;

[[9)] (6) Any implements, machinery or attachments which were purchased twenty-four months or more prior to notice of termination of the contract;

[[10)] (7) Any inventory which was ordered by the retailer on or after the date of notification of termination of the contract;

[[11)] (8) Any inventory which was acquired by the retailer from any source other than the wholesaler, manufacturer or distributor or transferee of such wholesaler, manufacturer or distributor.

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