

**Senator John
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**MISSOURI
SENATE**
JEFFERSON CITY

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Senator Griesheimer Gets Vehicle Franchising Bill through Senate

JEFFERSON CITY – Missouri’s car dealers will have some leverage with their manufacturers, thanks to legislation Sen. John Griesheimer (R-Washington) steered through the Senate on April 21.

[House Bill 2198](#) modifies provisions of the state’s Motor Vehicle Franchise Practices Act. The bill gives new vehicle franchise dealers some recourse when dealing with manufacturing companies.

“A car dealer has to buy everything they sell from the manufacturer,” said Sen. Griesheimer. “Yet, Missouri’s lost about 100 dealerships in the last three years, and a big reason is because manufacturers can raise or modify costs whenever they want to. This legislation allows the dealerships to file disputes with the state’s Administrative Hearing Commission, rather than heading straight for the courtroom.”

In addition, the bill protects geographical sales areas and sets parameters and responsibilities for vehicle warranties. The bill also addresses the manufacturer’s responsibility for reimbursement when a dealership is terminated, which recently happened to 40 family-owned GM and Chrysler franchise dealerships.

“I sold cars once in my life, and I know firsthand how the manufacturers used to treat the dealerships – manipulating the prices on parts, or forcing dealerships to buy cars that weren’t selling in order to get more of the ones that were. Those costs get passed on to the consumer, and it’s part of the reason car dealerships are in trouble today,” said Sen. Griesheimer. “I think this bill levels the playing field, and it will give the option to take care of these issues outside the courtroom.”

The Senate’s version of HB 2198 must receive final approval from the house before moving to the governor’s desk for his signature.

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