**South Carolina General Assembly**

121st Session, 2015-2016

**S. 241**

**STATUS INFORMATION**

General Bill

Sponsors: Senator Turner

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Introduced in the Senate on January 13, 2015

Currently residing in the Senate Committee on **Judiciary**

Summary: Cancellation of dealership agreements

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

12/10/2014 Senate Prefiled

12/10/2014 Senate Referred to Committee on **Judiciary**

1/13/2015 Senate Introduced and read first time ([Senate Journal‑page 148](file:///h:\SJ%20Archive\2015\01-13-15.docx))

1/13/2015 Senate Referred to Committee on **Judiciary** ([Senate Journal‑page 148](file:///h:\SJ%20Archive\2015\01-13-15.docx))

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**VERSIONS OF THIS BILL**

[12/10/2014](file:///p:\pprever\2015-16\241_20141210.docx)

**A** **BILL**

TO AMEND SECTION 39‑6‑60, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE CANCELLATION OF CERTAIN DEALERSHIP AGREEMENTS, SO AS TO ALLOW FOR THE CANCELLATION OR NONRENEWAL OF A DEALERSHIP AGREEMENT WITH NINETY DAYS WRITTEN NOTICE, INSTEAD OF A ONE‑YEAR NOTICE IN CASES OF A DEALER’S FAILURE TO MEET MARKETING REQUIREMENTS AND NINETY‑DAYS NOTICE INSTEAD OF ONE‑HUNDRED‑EIGHTY‑DAYS NOTICE IN ALL OTHER CASES.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 39‑6‑60 (A) through (D) of the 1976 Code, as added by Act 369 of 2000, is amended to read:

“(A) Except as provided in subsection (E), a manufacturer, distributor, wholesaler, distributor branch or division, factory branch or division, or wholesale branch or division, or officer, agent, or other representative of it shall notify an equipment dealer in writing of the termination or cancellation of the dealership agreement or selling agreement of the dealer at least ~~one hundred eighty~~ ninety days before its effective date, stating the specific grounds for the termination or cancellation.

(B) The manufacturer, distributor, wholesaler, distributor branch or division, factory branch or division, or wholesale branch or division, or officer, agent, or other representative of it shall notify an equipment dealer in writing at least ~~one hundred eighty~~ ninety days before the contractual term of his dealership agreement or selling agreement expires that the agreement will not be renewed, stating the specific grounds for the nonrenewal in those cases where there is no intention to renew. The contractual term of a dealership agreement or selling agreement may not expire, without the written consent of the equipment dealer involved, before the expiration of at least ~~one hundred eighty~~ ninety days following the written notice.

(C) During the ~~one hundred eighty~~ ninety‑day period, either party may petition a court to modify the ~~one hundred eighty~~ ninety‑day stay or to extend it pending a final determination of the proceedings on the merits. The court may grant preliminary and final injunctive relief pursuant to the Rules of Civil Procedure.

(D) Before termination or nonrenewal of the dealership agreement or selling agreement because of the dealer’s failure to meet reasonable marketing criteria or market penetration, the manufacturer, distributor, wholesaler, distributor branch or division, factory branch or division, or wholesale branch or division, shall provide written notice of the intention at least ~~one year~~ ninety days in advance. After the notice, the manufacturer, distributor, wholesaler, distributor branch or division, factory branch or division, or wholesale branch or division shall provide fair and reasonable efforts to work with the equipment dealer to gain the desired market share including, without limitation, reasonably making available to the dealer an adequate inventory of new equipment and parts and competitive marketing programs. The manufacturer, distributor, factory branch or division, or wholesale branch or division, at the end of the ~~one‑year~~ ninety‑day notice period, may terminate or elect not to renew the agreement only upon written notice specifying the reasons for determining that the dealer failed to meet reasonable criteria or market penetration. This written notice must specify that termination or nonrenewal is effective ~~one hundred eighty~~ ninety days from the date of the notice. Either party may petition the court pursuant to subsection (C).”

SECTION 2. This act takes effect upon approval by the Governor.

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