



HOUSE BILL No. 5919

May 30, 1996, Introduced by Reps. Olshove, Galloway, LaForge, Hanley, Brewer, Bodem, Tesanovich, Cherry, Brater, Jamian, Gustafson, Kukuk, Dolan, Middleton, Crissman, Voorhees, Berman, Price, Yokich, Ciaramitaro and DeHart and referred to the Committee on Transportation.

A bill to amend the title of Act No. 134 of the Public Acts of 1990, entitled
"Motor fuel distribution act,"
being sections 445.1801 to 445.1808 of the Michigan Compiled Laws; and to add section 2a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. The title of Act No. 134 of the Public Acts of
2 1990, being sections 445.1801 to 445.1808 of the Michigan
3 Compiled Laws, is amended and section 2a is added to read as
4 follows:

5 TITLE

6 An act to regulate the termination and transfer of motor
7 fuel franchises; TO PROVIDE FOR CERTAIN CONTRACTUAL REQUIREMENTS
8 AND PROVISIONS; and to provide for certain remedies.

1 SEC. 2A. NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT,
2 THE FOLLOWING APPLY TO A CONTRACT OR AGREEMENT BETWEEN A
3 FRANCHISOR AND FRANCHISEE:

4 (A) A FRANCHISOR SHALL NOT INCLUDE A REQUIREMENT THAT A
5 FRANCHISEE PURCHASE ALL MOTOR FUEL OFFERED FOR RETAIL SALE BY THE
6 FRANCHISEE FROM THE FRANCHISOR OR FROM AN ENTITY OWNED OR SUB-
7 STANTIALLY CONTROLLED BY THE FRANCHISOR.

8 (B) A FRANCHISOR MAY INCLUDE A REQUIREMENT THAT A FRANCHISEE
9 EMPLOY THE FRANCHISOR'S TRADE OR SERVICE MARK ONLY IN CONNECTION
10 WITH THE RETAIL SALE OR DISTRIBUTION OF MOTOR FUEL THAT WAS FIRST
11 OFFERED FOR WHOLESALE PURCHASE WHILE CARRYING THE FRANCHISOR'S
12 BRAND OR TRADEMARK.

13 (C) IF A FRANCHISOR OR DISTRIBUTOR OFFERS MOTOR FUEL THAT
14 CARRIES A REFINER'S MARK OR BRAND FOR WHOLESALE SALE, THAT FRAN-
15 CHISOR OR DISTRIBUTOR SHALL INCLUDE A PROVISION THAT THE FRANCHI-
16 SOR OR DISTRIBUTOR SHALL NOT REFUSE TO SELL MOTOR FUEL TO ANY
17 ENTITY THAT EMPLOYS THE SAME MARK OR BRAND IN CONNECTION WITH THE
18 RETAIL SALE OF MOTOR FUEL.

19 (D) A FRANCHISOR OR DISTRIBUTOR THAT SELLS MOTOR FUEL AT
20 WHOLESALE SHALL INCLUDE A PROVISION THAT THE FRANCHISOR OR DIS-
21 TRIBUTOR SHALL NOT DISCRIMINATE AMONG CLASSES OF PURCHASERS WITH
22 RESPECT TO PRICE.