

SENATE BILL No. 523

June 6, 2001, Introduced by Senators BULLARD and HAMMERSTROM and referred to the Committee on Transportation and Tourism.

A bill to amend 1990 PA 134, entitled
"Motor fuel distribution act,"
(MCL 445.1801 to 445.1808) by amending the title and by adding
section 2a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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TITLE

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An act to regulate the termination and transfer of motor

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fuel franchises; TO PROVIDE FOR CERTAIN CONTRACTUAL REQUIREMENTS

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AND PROVISIONS; and to provide for certain remedies.

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SEC. 2A. (1) NOTWITHSTANDING ANY OTHER PROVISION OF THIS

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ACT, THE FOLLOWING APPLY TO A CONTRACT OR AGREEMENT BETWEEN A

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FRANCHISOR AND FRANCHISEE:

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(A) A FRANCHISOR SHALL NOT INCLUDE A REQUIREMENT THAT A

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FRANCHISEE PURCHASE ALL MOTOR FUEL OFFERED FOR RETAIL SALE BY THE

1 FRANCHISEE FROM THE FRANCHISOR OR FROM AN ENTITY OWNED OR
2 SUBSTANTIALLY CONTROLLED BY THE FRANCHISOR.

3 (B) A FRANCHISOR MAY INCLUDE A REQUIREMENT THAT A FRANCHISEE
4 EMPLOY THE FRANCHISOR'S TRADE OR SERVICE MARK ONLY IN CONNECTION
5 WITH THE RETAIL SALE OR DISTRIBUTION OF MOTOR FUEL THAT WAS FIRST
6 OFFERED FOR WHOLESALE PURCHASE WHILE CARRYING THE FRANCHISOR'S
7 BRAND OR TRADEMARK.

8 (C) IF A FRANCHISOR OR DISTRIBUTOR OFFERS MOTOR FUEL THAT
9 CARRIES A REFINER'S MARK OR BRAND FOR WHOLESALE SALE, THE CON-
10 TRACT OR AGREEMENT SHALL INCLUDE A PROVISION THAT THE FRANCHISOR
11 OR DISTRIBUTOR SHALL NOT REFUSE TO SELL MOTOR FUEL TO ANY ENTITY
12 THAT EMPLOYS THE SAME MARK OR BRAND IN CONNECTION WITH THE RETAIL
13 SALE OF MOTOR FUEL.

14 (D) A FRANCHISOR OR DISTRIBUTOR THAT SELLS MOTOR FUEL AT
15 WHOLESALE SHALL INCLUDE A PROVISION THAT THE FRANCHISOR OR DIS-
16 TRIBUTOR SHALL NOT DISCRIMINATE AMONG CLASSES OF PURCHASERS WITH
17 RESPECT TO PRICE.

18 (2) THIS SECTION APPLIES TO CONTRACTS ENTERED INTO OR
19 RENEWED ON OR AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT
20 ADDED THIS SECTION.