

SENATE BILL No. 502

By Committee on Agriculture

1-29

9 AN ACT concerning farm equipment; relating to warranty repair work;
10 transportation expenses.

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12 *Be it enacted by the Legislature of the State of Kansas:*

13 Section 1. (a) As used in this section:

14 (1) "Dealership agreement" has the meaning provided by K.S.A. 16-
15 1202, and amendments thereto.

16 (2) "Farm equipment" has the meaning provided by K.S.A. 16-1202,
17 and amendments thereto.

18 (3) "Farm equipment dealer" or "farm equipment dealership" has
19 the meaning provided by K.S.A. 16-1202, and amendments thereto.

20 (4) "Farm equipment manufacturer" has the meaning provided by
21 K.S.A. 16-1202, and amendments thereto.

22 (b) With respect to any farm equipment sold on or after July 1, 2008,
23 for any warranty repair work performed for a consumer by a farm equip-
24 ment dealer under the provisions of a farm equipment manufacturer's
25 express warranty, the farm equipment dealer shall pay for any transpor-
26 tation expenses related to such repair work. Such transportation expenses
27 shall be limited to the cost of sending repair service personnel to the
28 location of the farm equipment or the cost of hauling the farm equipment
29 to the service location, or both, if both costs were necessary under the
30 circumstances. The farm equipment dealer shall not charge or otherwise
31 require the consumer to pay for such transportation expenses.

32 (c) In addition to the requirements of K.S.A. 16-120, and amend-
33 ments thereto, with respect to any farm equipment sold on or after July
34 1, 2008, any warranty repair work performed for a consumer by a farm
35 equipment dealer under the provisions of a farm equipment manufac-
36 turer's express warranty, shall require the farm equipment manufacturer
37 to reimburse the dealer for any transportation expenses related to such
38 repair work. Such transportation expenses shall be limited to the cost of
39 sending repair service personnel to the location of the farm equipment
40 or the cost of hauling the farm equipment to the service location, or both,
41 if both costs were necessary under the circumstances. Such costs shall
42 not exceed the cost charged to consumers for similar services related to
43 nonwarranty repair work.

1 (d) Nothing in this act shall apply to, or operate or be construed to
2 invalidate, impair or otherwise infringe upon the specific requirements
3 of any contract or dealership agreement between a farm equipment
4 dealer and a farm equipment manufacturer entered into prior to the ef-
5 fective date of this section, if such contract or dealership agreement is in
6 effect on the effective date of this section.

7 (e) The provisions of this section shall not apply to a farm equipment
8 manufacturer who provides in a written dealer agreement for compen-
9 sation to a farm equipment dealer for transportation expenses related to
10 warranty repair work either as: (1) A discount in the pricing of the farm
11 equipment to the farm equipment dealer; or (2) a lump sum payment to
12 the farm equipment dealer, provided such payment is not less than 5%
13 of the suggested retail price of the equipment.

14 Sec. 2. This act shall take effect and be in force from and after its
15 publication in the statute book.