

Amend CSSB 529 as follows:

(1) In SECTION 4 of the bill, in Section 2301.4651, Occupations Code (Committee printing page 3, lines 14-22), strike Subsection (d) and substitute the following:

(d) The amounts to be paid under Subsection (b)(1) or (2) to the dealer by a manufacturer, distributor, or representative shall be based on the percentage of the total square footage of the dealership attributable to sales, service, and parts suggested by a manufacturer or distributor and allocated to the franchise being terminated or discontinued at the time of the termination or discontinuance.

(2) In SECTION 5 of the bill, in Subsection (b-1), Section 2301.467, Occupations Code (Committee printing page 3, line 57), following "(b-1)", strike "It is" and substitute "Except as necessary to comply with health or safety laws or to comply with technology requirements necessary to sell or service a line-make, it is".

(3) In SECTION 5 of the bill, in Subsection (b-2), Section 2301.467, Occupations Code (Committee printing page 3, line 66), following "(b-2)", strike "It is" and substitute "Except as necessary to comply with health or safety laws or to comply with technology requirements necessary to sell or service a line-make, it is".

(4) In SECTION 6 of the bill, in the heading to Section 2301.4671, Occupations Code (Committee printing page 4, line 17), between "Sec. 2301.4671." and "RESTRICTION" insert "FRANCHISE PROVISION ESTABLISHING".

(5) In the recital to SECTION 11 of the bill (Committee printing page 5, line 9), strike "and 2301.481" and substitute ", 2301.481, and 2301.482".

(6) In SECTION 11 of the bill, add the following after added Section 2301.481, Occupations Code (Committee printing page 5 between lines 47 and 48):

Sec. 2301.482. CERTAIN PROPERTY USE AGREEMENTS.

(a) Notwithstanding Section 2301.481(b)(1), and subject to this section, a dealer may enter into a property use agreement for cash consideration that grants the manufacturer or distributor the

exclusive rights to direct the use of the dealership.

(b) In the event the dealer breaches the terms of the property use agreement described by Subsection (a) by altering the use of the property during the term of the agreement in violation of the agreement, the property use agreement is terminated and the dealer must reimburse the manufacturer or distributor in an amount determined by dividing the amount of the manufacturer's or distributor's cash consideration provided under Subsection (a) by the market value of the property identified in the original property use agreement at the time any necessary real estate has been purchased and any necessary construction has been completed, and multiplying the resulting quotient by the market value of the property at the time of the breach.

(c) For purposes of this section, the market value of property is to be determined by three appraisers chosen as follows:

(1) one selected by the affected manufacturer or distributor;

(2) one selected by the affected dealer; and

(3) one selected by mutual agreement of the manufacturer or distributor and the dealer.