

BILL ANALYSIS

Senate Research Center

H.B. 1066
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Economic Development
5/10/1999
Engrossed

DIGEST

Chapter 1, Business & Commerce Code, was created to provide certain protections to Texas dealers of agricultural equipment from out of state manufacturers. Over the last 15 years, there have been many changes in the industry and the market. Some loopholes in the law have been exploited and some dealers have been required to sell only certain kinds of products. H.B. 1066 would prohibit suppliers from coercing dealers of certain farm and industrial equipment.

PURPOSE

H.B. 1066 prohibits suppliers from coercing dealers of certain farm and industrial equipment.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subdivision (8), Section 19.01, Business & Commerce Code, to redefine "equipment" to mean farm tractors, farm implements, utility tractors, industrial tractors, forklifts, material-handling equipment, forestry harvesting equipment, and outdoor power equipment and the attachments to or repair for those items.

SECTION 2. Amends Section 19.22, Business Code, as follows:

Sec. 19.22. New heading: COERCED ORDERS, DELIVERIES, OR REFUSALS TO PURCHASE. Prohibits a supplier from coercing or compelling a dealer to refuse purchase of equipment manufactured by another equipment manufacturer.

SECTION 3. Effective date: September 1, 1999.

SECTION 4. Emergency clause.