

Commonwealth of Pennsylvania House of Representatives

MEMORANDUM

TO

: All House Members

FROM

: Hon. Will Tallman

SUBJECT

: PA Fair Dealership Act

DATE

: February 15, 2011

I will shortly be introducing legislation designed to enhance the economic freedom of small businesses in the Commonwealth and provide consumers with more opportunity for alternative selections when purchasing machinery and outdoor power equipment designed for agricultural and other related uses.

Specifically, I propose to amend the PA Fair Dealership Law in order to "level the playing field" between manufactures of agricultural equipment and the dealers who enter into contracts to sell this equipment. Dealers maintain that equipment manufacturers, among other things, have insisted on increasingly unfavorable terms in these contracts (dealer agreements), do not fairly compensate them for warranty work (particularly when they perform work on a product that was sold by a non-servicing dealer) and do not promptly fill parts and equipment orders for some dealers.

All of the above situations place additional economic stress on the independent business persons operating the dealerships and, perhaps more significantly, ultimately reduce the choices available to consumers purchasing this equipment. My legislation will address these concerns in much the same manner as did Representative Hanna's HB 1498 of the 2009-2010 session. If you recall, HB1498 passed the House by a vote of 159-39 in June of last year, but did not receive consideration by the full Senate prior to the end of session.

If you would like to join me in sponsoring this legislation, please contact Jodi Addington in my Harrisburg office at 783-8875 or via e-mail at jaddingt@pahousegop.com. For the reference of returning members I have attached a list of co-sponsors from last year. You may also wish to check the roll-call on the final vote. Thank you.

PRIOR COSPONSORS: HANNA, BAKER, CALTAGIRONE, CONKLIN, EVERETT, FABRIZIO, HORNAMAN, HOUGHTON, JOSEPHS, LONGIETTI, MARSHALL, MOUL, PHILLIPS, READSHAW, REICHLEY, SOLOBAY, STERN, SWANGER, TALLMAN, and YOUNGBLOOD.