

2001 SESSION

HOUSE SUBSTITUTE

019171924

HOUSE BILL NO. 2040

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Transportation  
on January 30, 2001)

(Patron Prior to Substitute—Delegate Rust)

*A BILL to amend the Code of Virginia by adding a section numbered 46.2-1572.3, relating to waivers of rights by motor vehicle dealers.*

**Be it enacted by the General Assembly of Virginia:**

**1. That the Code of Virginia is amended by adding a section numbered 46.2-1572.3 as follows:**

**§ 46.2-1572.3. Waiver prohibited.**

*No motor vehicle manufacturer, factory branch, distributor, distributor branch, or subsidiary thereof shall obtain from a motor vehicle dealer a waiver of the dealer's rights by threatening to impose a detriment upon the dealer's business or threatening to withhold from the dealer any entitlement, benefit, or service required by law. This section shall not apply to good faith settlement of disputes, including disputes pertaining to contract negotiations, in which a waiver is granted in exchange for fair consideration in the form of a benefit conferred upon the dealer; however, this section shall apply to a dispute as to whether a waiver of such rights by a motor vehicle has been obtained in violation of this section.*

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HB2040H1