

## LEGISLATIVE BILL 826

Approved by the Governor March 28, 1988

Introduced by Hefner, 19

AN ACT relating to retail farm implements; to amend section 69-1501, Reissue Revised Statutes of Nebraska, 1943; to provide a payment date for returned farm implements, machinery, or attachments or repair parts therefor; to provide an interest rate for delinquent payments; and to repeal the original section.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 69-1501, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

69-1501. Whenever any person, firm, or corporation engaged in the business of selling and retailing farm implements and repair parts for farm implements; enters into a written contract evidenced by a franchised agreement whereby such retailer agrees to maintain a stock of parts or complete or whole machines or attachments with any wholesaler, manufacturer, or distributor of farm implements or machinery or repair parts therefor; and either such wholesaler, manufacturer, or distributor or the retailer desires to cancel or discontinue the contract, such wholesaler, manufacturer, or distributor shall pay to such retailer, unless the retailer should desire to keep such merchandise, a sum equal to one hundred percent of the net cost of all new unused complete farm implements, machinery, and attachments, including transportation charges which have been paid by such retailer, and eighty-five percent of the current net prices on repair parts, including superseded parts, listed in a current price list or catalog which parts had previously been purchased from such wholesaler, manufacturer, or distributor; and held by such retailer on the date of the cancellation or discontinuance of such contract. Such sums shall be due within sixty days of receipt of such farm implements, machinery, or attachments or repair parts therefor by such wholesaler, manufacturer, or distributor from such retailer. An interest rate of fourteen percent per annum shall be assessed on such sums which are delinquent. The wholesaler, manufacturer, or distributor shall also pay such

retailer a sum equal to five percent of the current net price of all parts returned for the handling, packing, and loading of such parts for return to the wholesaler, manufacturer, or distributor. Upon the payment of the sum equal to one hundred percent of the net cost of such farm implements, machinery, and attachments, plus transportation charges, and eighty-five percent of the current net prices on repair parts, plus five percent handling, packing, and loading costs on repair parts only, plus freight charges which have been paid by the retailer, the title to such farm implements, farm machinery, and repair parts, or parts therefor, shall pass to the manufacturer, wholesaler, or distributor making such payment, and such manufacturer, wholesaler, or distributor shall be entitled to the possession of such farm implements or repair parts therefor.

The provisions of this section relating to a retailer's right to cancel or discontinue a contract and receive payment for machines, attachments, and parts returned shall apply to all contracts now in effect which have no expiration date and are a continuing contract, and all other contracts entered into or renewed after July 1, 1971, except ; ~~PROVIDED~~; that the provisions for a retailer to receive payment for machines, attachments, and parts returned shall apply only to machines, attachments, and parts purchased after August 27, 1971. Any contract in force and effect on July 1, 1971, which by its own terms will terminate on a date subsequent thereto shall be governed by the law as it existed prior to August 27, 1971.

Sec. 2. That original section 69-1501, Reissue Revised Statutes of Nebraska, 1943, is repealed.