

RCW 46.96.196 Practices by brand owner. (1) Notwithstanding the terms of a franchise agreement, a brand owner shall not directly or indirectly:

(a) Require a new motor vehicle dealer to offer a secondary product;

(b) Require a new motor vehicle dealer to provide a customer with a disclosure not otherwise required by law; or

(c) Prohibit a new motor vehicle dealer from offering a secondary product including, but not limited to:

(i) Service contracts;

(ii) Maintenance agreements;

(iii) Extended warranties;

(iv) Protection product guarantees;

(v) Guaranteed asset protection waivers;

(vi) Insurance;

(vii) Replacement parts;

(viii) Vehicle accessories;

(ix) Oil; or

(x) Supplies.

(2) It is not a violation of this section for a brand owner to offer an incentive program to new motor vehicle dealers to encourage them to sell or offer to sell a secondary product approved, endorsed, sponsored, or offered by the brand owner, provided the program does not provide vehicle sales or service incentives.

(3) It is not a violation of this section for a brand owner to prohibit a new motor vehicle dealer from using secondary products for any repair work paid for by the brand owner under the terms of a warranty, recall, service contract, extended warranty, maintenance plan, or certified preowned vehicle program established or offered by the brand owner.

(4) For the purposes of this section:

(a) "Brand owner" means a manufacturer, distributor, factory branch, factory representative, agent, officer, parent company, wholly or partially owned subsidiary, affiliate entity, or other person under common control with a factory, importer, or distributor.

(b) "Common control" has the same meaning as in RCW 48.31B.005.

(c) "Customer" means the retail purchaser of a vehicle or secondary product from a new motor vehicle dealer.

(d) "Original equipment manufacturer parts" means parts manufactured by or for a vehicle's original manufacturer or its designee.

(e) "Secondary product" means all products that are not new motor vehicles or original equipment manufacturer parts. [2020 c 174 § 1.]