

Public Law 1026

CHAPTER 1038

AN ACT

August 8, 1956
[S. 3879]

To supplement the antitrust laws of the United States, in order to balance the power now heavily weighted in favor of automobile manufacturers, by enabling franchise automobile dealers to bring suit in the district courts of the United States to recover damages sustained by reason of the failure of automobile manufacturers to act in good faith in complying with the terms of franchises or in terminating or not renewing franchises with their dealers.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That as used in this Act—

Automobile
dealers.

Definitions.

(a) The term "automobile manufacturer" shall mean any person, partnership, corporation, association, or other form of business enterprise engaged in the manufacturing or assembling of passenger cars, trucks, or station wagons, including any person, partnership, or corporation which acts for and is under the control of such manufacturer or assembler in connection with the distribution of said automotive vehicles.

(b) The term "franchise" shall mean the written agreement or contract between any automobile manufacturer engaged in commerce and any automobile dealer which purports to fix the legal rights and liabilities of the parties to such agreement or contract.

(c) The term "automobile dealer" shall mean any person, partnership, corporation, association, or other form of business enterprise resident in the United States or in any Territory thereof or in the District of Columbia operating under the terms of a franchise and engaged in the sale or distribution of passenger cars, trucks, or station wagons.

(d) The term "commerce" shall mean commerce among the several States of the United States or with foreign nations, or in any Territory of the United States or in the District of Columbia, or among the Territories or between any Territory and any State or foreign nation, or between the District of Columbia and any State or Territory or foreign nation.

(e) The term "good faith" shall mean the duty of each party to any franchise, and all officers, employees, or agents thereof to act in a fair and equitable manner toward each other so as to guarantee the one party freedom from coercion, intimidation, or threats of coercion or intimidation from the other party: *Provided*, That recommendation, endorsement, exposition, persuasion, urging or argument shall not be deemed to constitute a lack of good faith.

SEC. 2. An automobile dealer may bring suit against any automobile manufacturer engaged in commerce, in any district court of the United States in the district in which said manufacturer resides, or is found, or has an agent, without respect to the amount in controversy, and shall recover the damages by him sustained and the cost of suit by reason of the failure of said automobile manufacturer from and after the passage of this Act to act in good faith in performing or complying with any of the terms or provisions of the franchise, or in terminating, canceling, or not renewing the franchise with said dealer: *Provided*, That in any such suit the manufacturer shall not be barred from asserting in defense of any such action the failure of the dealer to act in good faith.

Suits against
automobile manu-
facturers.

SEC. 3. Any action brought pursuant to this Act shall be forever barred unless commenced within three years after the cause of action shall have accrued.

SEC. 4. No provision of this Act shall repeal, modify, or supersede, directly or indirectly, any provision of the antitrust laws of the United States.

SEC. 5. This Act shall not invalidate any provision of the laws of any State except insofar as there is a direct conflict between an express provision of this Act and an express provision of State law which can not be reconciled.

Approved August 8, 1956.

Public Law 1027

CHAPTER 1039

AN ACT

August 8, 1956
[S. 2379]

To promote the fishing industry in the United States and its Territories by providing for the training of needed personnel for such industry.

Fishing indus-
try.
Personnel train-
ing grants.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of the Interior is authorized to make grants, out of funds appropriated for the purposes of this section, to public and nonprofit private universities and colleges in the several States and Territories of the United States for such purposes as may be necessary to promote the education and training of professionally trained personnel (including scientists, technicians, and teachers) needed in the field of commercial fishing. Any amount appropriated for the purposes of this section shall be apportioned on an equitable basis, as determined by the Secretary of the Interior, among the several States and Territories for the purpose of making grants within each such State and Territory. In making such apportionment the Secretary of the Interior shall take into account the extent of the fishing industry within each State and Territory as compared with the total fishing industry of the United States (including Territories), and such other factors as may be relevant in view of the purposes of this section.

Appropriation.

(b) There are authorized to be appropriated not in excess of \$550,000 for the fiscal year beginning on July 1, 1955, and for each fiscal year thereafter for the purposes of this section.

Regulations.

(c) The Secretary of the Interior may establish such regulations as may be necessary to carry out the provisions of this section.

60 Stat. 775.
20 USC 15j.

SEC. 2. (a) Section 3 (a) of the Vocational Education Act of 1946 is amended by inserting after paragraph (4) the following new paragraph:

Appropriation.

“(5) \$375,000 for vocational education in the fishery trades and industry and distributive occupations therein, to be apportioned for expenditure in the several States and Territories on an equitable basis, as determined by the United States Commissioner of Education after consultation with the Secretary of the Interior, taking into account the extent of the fishing industry of each State and Territory as compared with the total fishing industry of the United States (including Territories).”

(b) Section 3 (b) of such Act is amended by striking out “paragraphs (1) to (4)” and inserting in lieu thereof “paragraphs (1) to (5)”.

Approved August 8, 1956.

Public Law 1028

CHAPTER 1041

AN ACT

August 10, 1956
[H. R. 7049]

To revise, codify, and enact into law, title 10 of the United States Code, entitled “Armed Forces”, and title 32 of the United States Code, entitled “National Guard.”

[This Act is printed as Volume 70A, U. S. Statutes at Large.]