

SENATOR ASHFORD: It should be, it should be reduced to writing but you don't want to be in a situation where you void these contracts and you have franchisees out there with no rights if they don't have a written contract and that is not the result you want.

SENATOR CHAMBERS: Do you think those people would be unaware that a bill of this magnitude was passed affecting their interests and they would not know about it?

SENATOR ASHFORD: I don't know whether they would or wouldn't, but we don't want to do that if you're going...what you may want to do is put them in writing going forward, but you don't want to affect past contracts that way.

SENATOR CHAMBERS: Then anybody could come forth ten years from now and say, well, this oral contract I have was written before the bill was passed and you have no way of establishing it was.

SENATOR ASHFORD: Yes, you have ways of establishing by the facts and the circumstances behind the arrangement.

SENATOR CHAMBERS: Senator Ashford, are you being argumentative? (laughter)

PRESIDENT: Senator Hall, please, followed by Senator Ashford.

SENATOR HALL: Thank you, Mr. President and members, the issue of whether or not a contract needs to be written I think is laid out as you follow the definition section of the bill. I'd like you to turn to Section 15 on page 6 of the bill, okay? And here we talk about what a supplier shall and shall not do, and it says a supplier shall not, and it has (1), it says the supplier shall not fail to provide each wholesaler of the supplier's brand or brands with a written agreement which contains the entire agreement with the wholesaler and designates a specific exclusive sales territory. So in other words, the definition section contradicts itself because on the one hand when we talk about agreements in the definitions we say an agreement can be an oral agreement or a written agreement. And then we move to Section 15 and we talk about what the supplier shall not do and the supplier is the guy who gets it from the wholesaler or gives it to a wholesaler, supplier shall not fail to provide each wholesaler of the supplier's brand or brands with a written agreement which contains the entire agreement with the