

General Assembly

February Session, 2020

## Raised Bill No. 5312

LCO No. **1979** 

Referred to Committee on PUBLIC SAFETY AND SECURITY

Introduced by: (PS)

## AN ACT CONCERNING WARRANTIES APPLICABLE TO POLICE, FIRE AND OTHER MUNICIPAL VEHICLES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- Section 1. Section 42-179 of the general statutes is repealed and the
   following is substituted in lieu thereof (*Effective July 1, 2020*):
- 3 (a) As used in this chapter:

(1) "Consumer" means the purchaser, other than for purposes of
resale, of a motor vehicle, a lessee of a motor vehicle, any person to
whom such motor vehicle is transferred during the duration of an
express warranty applicable to such motor vehicle, and any person
entitled by the terms of such warranty to enforce the obligations of the
warranty. [; and] "Consumer" includes a municipality.

(2) ["motor vehicle"] <u>"Motor vehicle"</u> means <u>(A)</u> a passenger motor
vehicle, a passenger and commercial motor vehicle or a motorcycle, as
defined in section 14-1, <u>(B) a police vehicle, or (C) an emergency vehicle,</u>
as defined in section 42-355, which is sold or leased in this state.

(b) If a new motor vehicle does not conform to all applicable express 14 15 warranties, and the consumer reports the nonconformity to the 16 manufacturer, its agent or its authorized dealer during the period of two 17 years following the date of original delivery of the motor vehicle to a 18 consumer or during the period of the first twenty-four thousand miles 19 of operation, whichever period ends first, the manufacturer, its agent or its authorized dealer shall make such repairs as are necessary to 20 21 conform the motor vehicle to such express warranties, notwithstanding 22 the fact that such repairs are made after the expiration of the applicable 23 period.

24 (c) No consumer shall be required to notify the manufacturer of a 25 claim under this section and sections 42-181 to 42-184, inclusive, unless the manufacturer has clearly and conspicuously disclosed to the 26 27 consumer, in the warranty or owner's manual, that written notification 28 of the nonconformity is required before the consumer may be eligible 29 for a refund or replacement of the motor vehicle. The manufacturer shall 30 include with the warranty or owner's manual the name and address to 31 which the consumer shall send such written notification.

32 (d) If the manufacturer or its agents or authorized dealers are unable 33 to conform the motor vehicle to any applicable express warranty by 34 repairing or correcting any defect or condition which substantially 35 impairs the use, safety or value of the motor vehicle to the consumer 36 after a reasonable number of attempts, the manufacturer shall replace 37 the motor vehicle with a new motor vehicle acceptable to the consumer, 38 or accept return of the <u>motor</u> vehicle from the consumer and refund to 39 the consumer, lessor and lienholder, if any, as their interests may 40 appear, the following: (1) The full contract price, including but not 41 limited to, charges for undercoating, dealer preparation and 42 transportation and installed options, (2) all collateral charges, including 43 but not limited to, sales tax, license and registration fees, and similar 44 government charges, (3) all finance charges incurred by the consumer 45 after he first reports the nonconformity to the manufacturer, agent or 46 dealer and during any subsequent period when the <u>motor</u> vehicle is out 47 of service by reason of repair, and (4) all incidental damages as defined

48 in section 42a-2-715, less a reasonable allowance for the consumer's use 49 of the motor vehicle. No authorized dealer shall be held liable by the 50 manufacturer for any refunds or motor vehicle replacements in the 51 absence of evidence indicating that dealership repairs have been carried 52 out in a manner inconsistent with the manufacturers' instructions. 53 Refunds or replacements shall be made to the consumer, lessor and 54 lienholder if any, as their interests may appear. A reasonable allowance 55 for use shall be that amount obtained by multiplying the total contract 56 price of the motor vehicle by a fraction having as its denominator one 57 hundred twenty thousand and having as its numerator the number of 58 miles that the motor vehicle traveled prior to the manufacturer's 59 acceptance of its return. It shall be an affirmative defense to any claim 60 under this section (1) that an alleged nonconformity does not 61 substantially impair such use, safety or value or (2) that a nonconformity 62 is the result of abuse, neglect or unauthorized modifications or 63 alterations of a motor vehicle by a consumer.

64 (e) It shall be presumed that a reasonable number of attempts have 65 been undertaken to conform a motor vehicle to the applicable express 66 warranties, if (1) the same nonconformity has been subject to repair four 67 or more times by the manufacturer or its agents or authorized dealers 68 during the period of two years following the date of original delivery of 69 the motor vehicle to a consumer or during the period of the first twenty-70 four thousand miles of operation, whichever period ends first, but such 71 nonconformity continues to exist, or (2) the motor vehicle is out of 72 service by reason of repair for a cumulative total of thirty or more 73 calendar days during the applicable period, determined pursuant to 74 subdivision (1) of this subsection. Such two-year period and such thirty-75 day period shall be extended by any period of time during which repair 76 services are not available to the consumer because of a war, invasion, 77 strike or fire, flood or other natural disaster. No claim shall be made 78 under this section unless at least one attempt to repair a nonconformity 79 has been made by the manufacturer or its agent or an authorized dealer 80 or unless such manufacturer, its agent or an authorized dealer has 81 refused to attempt to repair such nonconformity.

82 (f) If a motor vehicle has a nonconformity which results in a condition 83 which is likely to cause death or serious bodily injury if the motor 84 vehicle is driven, it shall be presumed that a reasonable number of attempts have been undertaken to conform such motor vehicle to the 85 86 applicable express warranties if the nonconformity has been subject to 87 repair at least twice by the manufacturer or its agents or authorized 88 dealers within the express warranty term or during the period of one 89 year following the date of the original delivery of the motor vehicle to a 90 consumer, whichever period ends first, but such nonconformity 91 continues to exist. The term of an express warranty and such one-year 92 period shall be extended by any period of time during which repair 93 services are not available to the consumer because of war, invasion, 94 strike or fire, flood or other natural disaster.

95 (g) (1) No motor vehicle which is returned to any person pursuant to 96 any provision of this chapter or in settlement of any dispute related to 97 any complaint made under the provisions of this chapter and which 98 requires replacement or refund shall be resold, transferred or leased in 99 the state without clear and conspicuous written disclosure of the fact 100 that such motor vehicle was so returned prior to resale or lease. Such disclosure shall be affixed to the motor vehicle and shall be included in 101 102 any contract for sale or lease. The Commissioner of Motor Vehicles shall, 103 by regulations adopted in accordance with the provisions of chapter 54, 104 prescribe the form and content of any such disclosure statement and 105 establish provisions by which the commissioner may remove such 106 written disclosure after such time as the commissioner may determine 107 that such motor vehicle is no longer defective. (2) If a manufacturer 108 accepts the return of a motor vehicle or compensates any person who 109 accepts the return of a motor vehicle pursuant to subdivision (1) of this subsection 110 such manufacturer shall stamp the words 111 "MANUFACTURER BUYBACK" clearly and conspicuously on the face 112 of the original title in letters at least one-quarter inch high and, within 113 ten days of receipt of the title, shall submit a copy of the stamped title to 114 the Department of Motor Vehicles. The Department of Motor Vehicles 115 shall maintain a listing of such buyback vehicles and in the case of any

116 request for a title for a buyback vehicle, shall cause the words 117 "MANUFACTURER BUYBACK" to appear clearly and conspicuously 118 on the face of the new title in letters which are at least one-quarter inch 119 high. Any person who applies for a title shall disclose to the department 120 the fact that such motor vehicle was returned as set forth in this 121 subsection. (3) If a manufacturer accepts the return of a motor vehicle 122 from a consumer due to a nonconformity or defect, in exchange for a 123 refund or a replacement motor vehicle, whether as a result of an 124 administrative or judicial determination, an arbitration proceeding or a 125 voluntary settlement, the manufacturer shall notify the Department of 126 Motor Vehicles and shall provide the department with all relevant 127 information, including the year, make, model, vehicle identification 128 number and prior title number of the motor vehicle. The Commissioner 129 of Motor Vehicles shall adopt regulations in accordance with chapter 54 130 specifying the format and time period in which such information shall 131 be provided and the nature of any additional information which the commissioner may require. (4) The provisions of this subsection shall 132 133 apply to motor vehicles originally returned in another state from a 134 consumer due to a nonconformity or defect in exchange for a refund or 135 replacement motor vehicle and which a lessor or transferor with actual 136 knowledge subsequently sells, transfers or leases in this state.

(h) All express and implied warranties arising from the sale of a new
motor vehicle shall be subject to the provisions of part 3 of article 2 of
title 42a.

(i) Nothing in this section shall in any way limit the rights or remedieswhich are otherwise available to a consumer under any other law.

(j) If a manufacturer has established an informal dispute settlement procedure which is certified by the Attorney General as complying in all respects with the provisions of Title 16 Code of Federal Regulations Part 703, as in effect on October 1, 1982, and with the provisions of subsection (b) of section 42-182, the provisions of subsection (d) of this section concerning refunds or replacement shall not apply to any consumer who has not first resorted to such procedure.

149	k) The provisions of this section and sections 42-179a to 42-1	86,

- 150 inclusive, shall not apply to an emergency vehicle, as defined in section
- 151 <u>42-355, to the extent an express warranty on such emergency vehicle is</u>
- 152 governed by the provisions of section 42-355.

This act shall take effect as follows and shall amend the following sections:

Section 1 $I_{ulv}$ 1, 2020 42-179			
	Section 1	July 1, 2020	42-179

## Statement of Purpose:

To expand the automobile lemon law to cover municipal vehicles.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]