HOUSE No. 446

The Commonwealth of Massachusetts

PRESENTED BY:

James J. O'Day

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act expanding wheelchair warranty protections for consumers with disabilities.

PETITION OF:

| NAME: | DISTRICT/ADDRESS: | DATE ADDED: |
|-----------------------------|--------------------------------|-------------|
| James J. O'Day | 14th Worcester | 2/16/2021 |
| Mindy Domb | 3rd Hampshire | 2/22/2021 |
| Michelle M. DuBois | 10th Plymouth | 2/26/2021 |
| Kimberly N. Ferguson | 1st Worcester | 2/26/2021 |
| Sean Garballey | 23rd Middlesex | 2/26/2021 |
| David Henry Argosky LeBoeuf | 17th Worcester | 2/26/2021 |
| Jack Patrick Lewis | 7th Middlesex | 2/22/2021 |
| Mathew J. Muratore | 1st Plymouth | 2/22/2021 |
| Angelo J. Puppolo, Jr. | 12th Hampden | 2/23/2021 |
| Maria Duaime Robinson | 6th Middlesex | 2/23/2021 |
| Lindsay N. Sabadosa | 1st Hampshire | 2/22/2021 |
| Rebecca L. Rausch | Norfolk, Bristol and Middlesex | 2/23/2021 |
| Daniel R. Carey | 2nd Hampshire | 3/3/2021 |
| Danillo A. Sena | 37th Middlesex | 3/8/2021 |
| Christina A. Minicucci | 14th Essex | 3/15/2021 |
| Walter F. Timilty | Norfolk, Bristol and Plymouth | 3/18/2021 |

HOUSE No. 446

By Mr. O'Day of West Boylston, a petition (accompanied by bill, House, No. 446) of James J. O'Day and others relative to wheelchair warranty protections for consumers. Consumer Protection and Professional Licensure.

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Second General Court (2021-2022)

An Act expanding wheelchair warranty protections for consumers with disabilities.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- SECTION 1. Section 107 of chapter 93 of the General Laws is hereby amended by
- 2 striking out the section title and inserting in place thereof the following title:-
- § 107. Wheelchair warranty protections for consumers with disabilities; rights and
- 4 remedies
- 5 SECTION 2. Chapter 93 of the General Laws is hereby amended by striking out section
- 6 107 (A), and inserting in place thereof the following section:-
- 7 (A) As used in this section the following words shall have the following meanings unless
- 8 the context clearly indicates otherwise:—
- 9 "Authorized wheelchair dealer", any seller of a wheelchair that: (1) has, within a
- specified geographic area, an exclusive distribution arrangement with any person or entity that

manufacturers or assembles such device; or (2) is designated by the person or company that manufactures or assembles such device to repair or accept for repair such device.

"Collateral costs", the following expenses incurred by a consumer: (1) The cost to rent a substitute wheelchair during the time repairs are attempted for a wheelchair that has a nonconformity and during the time preceding receipt of a replacement for such a wheelchair; (2) The cost of shipping a wheelchair that has a nonconformity to a manufacturer, lessor, or authorized wheelchair dealer for repair or replacement; (3) Lost wages and transportation expenses resulting from a nonconformity in a wheelchair; and (4) Out-of-pocket medical expenses for the treatment of a physical injury caused by a nonconformity in a wheelchair.

"Consumer", (1) The purchaser of a wheelchair, including purchases covered by private or public insurance, if the device was purchased from an authorized wheelchair dealer or manufacturer for purposes other than resale; (2) A person to whom the device is transferred for purposes other than resale, if the transfer occurs before the expiration of an express warranty applicable to the device; (3) A person who may enforce the warranty; or (4) A person who leases a device from a wheelchair lessor under a written lease. "Consumers" shall include those who have not paid all or some costs out of pocket for the purchase or lease of a wheelchair.

"Early termination cost", an expense or obligation incurred by a wheelchair lessor as a result of both the termination of a written lease before the termination date set forth in such lease and the return of a wheelchair to a manufacturer pursuant to paragraph (c) of subsection (2) of subdivision (C). Early termination cost shall include a penalty for prepayment under a finance arrangement.

"Early termination savings", an expense or obligation avoided by a wheelchair lessor as a result of both the termination of a written lease before the termination date set forth in such lease and the return of a wheelchair to a manufacturer pursuant to said paragraph (c) of said subsection (2) of said subdivision (C). Early termination saving shall include interest charges that a wheelchair lessor would have paid to finance the wheelchair or, if the wheelchair was not financed, the difference between the total amount for which the lease obligates the consumer during the period of the lease term remaining after the early termination and the present value of such amount at the date of the early termination.

"Express warranty", a warranty provided as set forth in this section, which requires that the wheelchair shall be free from any condition or defect which substantially impairs the use, value, or safety of the wheelchair.

"Manufacturer", a person or company that manufactures or assembles wheelchairs and agents of that person or company, including an authorized wheelchair dealer, an importer, a distributor, factory branch, distributor branch and any warrantors of the manufacturer's wheelchair, but does not include a professional who fabricates, without charge, a device for use in the course of treatment.

"Nonconformity", a condition or defect that substantially impairs the use, value or safety of a wheelchair and which is covered by an express warranty applicable to the wheelchair or to a component of the wheelchair; "nonconformity" shall not include a condition or defect which results from abuse, neglect, or the unreasonable and unforeseeable misuse of the wheelchair by consumer modification or alteration.

53 "Reasonable attempt to repair", any of the following occurring to a wheelchair within the 54 applicable term of warranty period after delivery of the wheelchair to a consumer: 55 (1) a nonconformity within the warranty is subject to repair at least two times by the 56 manufacturer, wheelchair lessor, or any of the manufacturer's authorized wheelchair dealers and 57 the nonconformity continues, or 58 (2) the wheelchair is out of service for an aggregate of at least twenty-one days because 59 of a warranty nonconformity after the consumer has reported the nonconformity and made the 60 wheelchair available for repair. 61 "Replacement wheelchair", a properly working substitute wheelchair that is comparable 62 in most respects to the equipment to be repaired. 63 "Wheelchair", a wheelchair or scooter of any kind, or other aids that enhance the mobility 64 or positioning of an individual, such as motorization, motorized positioning features, and the 65 switches and controls for motorized features. 66 "Wheelchair dealer" means an individual or entity that is in the business of selling 67 wheelchairs, including a manufacturer who sells wheelchairs directly to consumers. 68 "Wheelchair lessor" means an individual or entity that leases a wheelchair to a consumer, 69 or who holds the lessor's rights, under a written lease. 70 SECTION 3. Chapter 93 of the General Laws is hereby amended by striking out section 71 107 (B), and inserting in place thereof the following section:-

wheelchair dealer, shall furnish the consumer with an express warranty for the wheelchair. The

(B)(1) A manufacturer who sells a wheelchair to a consumer, either directly or through a

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duration of the express warranty shall be not less than two years after first delivery of the wheelchair to the consumer.

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- (2) At the time of purchase, the manufacturer must provide directly to the consumer a statement, written in 12-point all capital bolded type on a separate piece of paper or in such other form as the consumer can understand, in substantially the following form:
- 79 "IMPORTANT: IF THIS DEVICE IS DEFECTIVE WITHIN THE PERIOD OF YOUR 80 WARRANTY, [INSERT WARRANTY PERIOD, MINIMUM TWO YEARS] FROM THE 81 DATE OF FIRST DELIVERY, YOU MAY BE ENTITLED UNDER STATE LAW TO 82 REPLACEMENT OF IT OR A REFUND OF ITS PURCHASE PRICE. HOWEVER, TO BE 83 ENTITLED TO REFUND OR REPLACEMENT, YOU MUST FIRST NOTIFY THE 84 MANUFACTURER, ITS AGENT OR ITS AUTHORIZED WHEELCHAIR DEALER OF THE 85 PROBLEM AND GIVE THEM AN OPPORTUNITY TO REPAIR THE DEVICE IN 86 ACCORDANCE WITH MASSACHUSETTS GENERAL LAWS CHAPTER 93, SECTION 87 107."
 - This statement must include the applicable warranty period of two years or greater from the date of first delivery. If no statement is provided to the consumer as required under this section, the manufacturer is in violation of this section, and the express warranty period shall be set to a default of three years.
 - SECTION 4. Chapter 93 of the General Laws is hereby amended by striking out section 107 (C), and inserting in place thereof the following section:-
 - (C)(1)(a) If a new wheelchair does not conform to an applicable express warranty and the consumer reports such nonconformity to the manufacturer, to a wheelchair lessor, or to an

authorized wheelchair dealer and such consumer makes the wheelchair available for repair prior to the expiration of the applicable warranty period from the date of first delivery, the nonconformity shall be repaired at no charge to the consumer. It shall be presumed that the consumer has made the wheelchair available to the manufacturer or dealer for repair if he or she allows the manufacturer or dealer to take it from the consumer's home or other location where the user customarily uses the device. The consumer shall be required to deliver the device to another location only upon a showing that it would be a substantially greater hardship for the manufacturer and dealer to take the device from the consumer's home, or other location where the user customarily uses the device, than for the consumer to deliver the device.

- (b) Whenever a wheelchair covered by a manufacturer's warranty is nonconforming and made available by a consumer to the manufacturer, assistive technology lessor, or authorized assistive technology dealer from whom it was purchased or exchanged for the repair of a defect, malfunction, or nonconformity to which the warranty is applicable, the manufacturer shall cover all collateral costs, including providing directly to the consumer for the duration of the repair period, as selected by the consumer: (i) a replacement wheelchair; or (ii) reimbursement for the cost incurred by the consumer for renting a replacement wheelchair.
- (c) Manufacturers shall be required to fill all repair and replacement orders for wheelchairs under warranty in this section from their own inventory, or have a written subcontract for the purchase of items necessary to fill orders in accordance with this section. A subcontract must be in writing and must contain, at a minimum, the following: (i) names, addresses, phone numbers, and contact names for both companies; (ii) the contract term (begin and end dates); (iii) a description of the wheelchairs covered under the subcontract, including the cost of each item; (iv) signatures of both parties, including signature dates and position titles; and

(v) an established credit limit that is reasonable, based on the value of the products and services to be provided by the contractor.

- (2)(a) If, after a reasonable attempt to repair, the nonconformity is not repaired, the manufacturer shall carry out the requirements set forth in paragraph (b) or (c), whichever is appropriate.
- (b) At the direction of a consumer other than one who leases a wheelchair, the manufacturer shall:
- (i) accept return of the wheelchair and replace it with a comparable new wheelchair and refund any collateral costs not already covered under (C)(1)(b) of this section; or
- (ii) accept return of the wheelchair and refund to the consumer and to any holder of a perfected security interest, as their interest may appear, the full purchase price and any finance charge amount paid by the consumer at the point of sale and any collateral costs not already covered under (C)(1)(b) of this section, less a reasonable allowance for use. A reasonable allowance for use shall not exceed the amount obtained by multiplying the full purchase price of the wheelchair by a fraction, the denominator of which shall be one thousand eight hundred and twenty-five and the numerator of which shall be the number of days that the wheelchair was in the consumer's possession before the consumer first reported the nonconformity to the wheelchair dealer.
- (c) At the direction of a consumer who leases a wheelchair, the manufacturer shall accept return of the wheelchair, refund to the wheelchair lessor and to any holder of a perfected security interest, as their interest may appear, the current value of the written lease and refund to the consumer the amount such consumer paid under the written lease and any collateral costs not

already covered under (C)(1)(b) of this section, less a reasonable allowance for use. A reasonable allowance for use shall not exceed the amount obtained by multiplying the total amount for which the written lease obligates the consumer by a fraction, the denominator of which shall be one thousand eight hundred and twenty-five and the numerator of which shall be the number of days that the consumer possessed the wheelchair before first reporting the nonconformity to the manufacturer, wheelchair lessor or wheelchair dealer.

The current value of the written lease shall be the total amount for which that lease obligates the consumer during the period of the lease remaining after its early termination, plus the wheelchair dealer's early termination costs and the value of the wheelchair at the lease expiration date if the lease sets forth that value, less the wheelchair lessor's early termination savings.

- (3) In order to receive a comparable new wheelchair or a refund due under paragraph (b) of subsection (2), a consumer described thereunder shall offer to the manufacturer of the wheelchair having the nonconformity to transfer possession of that wheelchair to that manufacturer. No later than thirty days after such offer, the manufacturer shall provide the consumer with the comparable new wheelchair or refund. When the manufacturer provides the wheelchair or refund, the consumer shall return the wheelchair having the nonconformity to the manufacturer, along with any endorsements necessary to transfer legal possession to the manufacturer.
- (4)(a) In order to receive a refund due under paragraph (c) of subsection (2), a consumer described thereunder shall offer to return the wheelchair having the nonconformity to its manufacturer. Not later than thirty days after such offer, the manufacturer shall provide the

refund to the consumer. When the manufacturer provides the refund, the consumer shall return to the manufacturer the wheelchair having the nonconformity.

- (b) To receive a refund due under paragraph (c) of subsection (2), a wheelchair lessor shall offer to transfer possession of the wheelchair having the nonconformity to its manufacturer. No later than thirty days after such offer, the manufacturer shall provide the refund to the wheelchair lessor. When the manufacturer provides the refund, the wheelchair lessor shall provide to the manufacturer any endorsements necessary to transfer legal possession to the manufacturer.
- (c) No person may enforce the lease against the consumer after he receives a refund due under paragraph (c) of subsection (2).
- (d) No wheelchair returned by a consumer or wheelchair lessor in the commonwealth or by a consumer or wheelchair lessor in another state under a similar law of that state, may be resold or leased in the commonwealth unless full disclosure of the reasons for such return has been made to a prospective buyer or lessee.
- SECTION 5. Chapter 93 of the General Laws is hereby amended by striking out section 107 (E), and inserting in place thereof the following section:-
- (E) The attorney general is hereby authorized to bring an action under section 4 of chapter 93A to enforce this section and to obtain restitution, civil penalties, injunctive relief and any other relief awarded pursuant to chapter 93A. Nothing contained in this section shall be deemed to limit any rights or remedies available to a consumer under any other law. Any waiver by a consumer of rights under this section shall be void.

SECTION 6. Chapter 93 of the General Laws is hereby amended by striking out section 107 (F), and inserting in place thereof the following section:-

(F) A consumer may bring a private right of action under chapter 93A to enforce this section. Violations of this section shall per se constitute an unfair or deceptive act under the provisions of chapter 93A. In addition to pursuing any other remedy, a consumer may bring an action to recover for damages caused by a violation of this section. The court shall award a consumer who prevails in such an action twice the amount of any pecuniary loss, together with costs, disbursements and reasonable attorney fees, and any equitable relief that the court deems is appropriate.

SECTION 7. Chapter 93 of the General Laws is hereby amended by inserting the following section:-

Section 107 (G) The Office of Consumer Affairs and Business Regulation shall make an annual report to the House and Senate Clerks and the Joint Committee on Children, Families, and Persons with Disabilities not later than January 1 of each year on the operational status of the assistive technology alternate arbitration mechanism, including, but not limited to, data regarding the number of complaints filed through the alternate arbitration mechanism and the aggregate results of such arbitration procedures.

SECTION 8. Not later than ninety days after the effective date of this act, the Secretary of the Executive Office of Consumer Affairs and Business Regulation shall promulgate regulations as necessary pursuant to this act's amendments of Chapter 93, section 107.