

SENATE BILL 2558

By Hensley

AN ACT to amend Tennessee Code Annotated, Title 47,
Chapter 18; Title 62 and Title 68, relative to
consumer protection.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 47, Chapter 18, Part 1, is amended by
adding the following as a new section:

(a) As used in this section:

(1) "Consumer" means the purchaser of an HVAC system or major
appliance, any person to whom the HVAC system or major appliance is
transferred during the duration of an express warranty applicable to the HVAC
system or major appliance, and any other person entitled by the terms of the
warranty to enforce the obligations of the warranty;

(2) "HVAC system" means a system that provides heating, ventilation,
and air conditioning to a residential home;

(3) "Major appliance" means any water heater, dishwasher, washer,
dryer, refrigerator, freezer, stove, range, oven, cooktop, microwave, vacuum, or
fan that is used in a residential home;

(4) "Manufacturer" means any person who manufactures, assembles, or
installs HVAC systems or major appliances;

(5) "Person" means every natural person, partnership, corporation,
association, trust, estate, or other legal entity;

(6) "Substantially impair" means to render an HVAC system or major
appliance unreliable or unsafe for normal operation; and

(7) "Term of protection" means the term of applicable express warranties or the period of one (1) year following the date of original installation of an HVAC system or major appliance for a consumer, whichever comes first; or, in the case of a replacement HVAC system or major appliance provided by a manufacturer to a consumer under this chapter, one (1) year from the date of installation for the consumer of the HVAC system or major appliance.

(b)

(1) If a new HVAC system or major appliance does not conform to all applicable express warranties and the consumer reports the nonconformity, defect, or condition to the manufacturer, the manufacturer's agent, or the manufacturer's authorized dealer during the term of protection, the manufacturer, agent, or authorized dealer shall correct the nonconformity, defect, or condition at no charge to the consumer, notwithstanding the fact that the repairs are made after the expiration of the term of protection. Any corrections or attempted corrections undertaken by an authorized dealer under this section must be treated as warranty work and billed by the dealer to the manufacturer in the same manner as other work under warranty is billed.

(c) The manufacturer must replace the HVAC system or major appliance with a comparable system if:

(1) The nonconformity, defect, or condition substantially impairs the HVAC system or major appliance; and

(2) The manufacturer, the manufacturer's agent, or the manufacturer's authorized dealer is unable to conform the HVAC system or major appliance to any applicable express warranty after a reasonable number of attempts as described in subsection (d).

(d) It is presumed that a reasonable number of attempts have been undertaken to conform an HVAC system or major appliance to the applicable express warranties, if:

(1) The same nonconformity, defect, or condition has been subject to repair three (3) or more times by the manufacturer, the manufacturer's agents, or the manufacturer's authorized dealers during the term of protection, but the nonconformity, defect, or condition continues to exist; or

(2) The HVAC system or major appliance is out of service by reason of repair for a cumulative total of thirty (30) or more calendar days during the term of protection.

(e) A violation of this section constitutes a violation of this part. For purposes of applying this part to this section, a violation of this section constitutes an unfair or deceptive act or practice affecting the conduct of any trade or commerce, subject to the penalties and remedies provided in this part.

SECTION 2. This act shall take effect July 1, 2018, the public welfare requiring it, and applies to HVAC systems and major appliances sold on or after that date.