

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE BILL 1295
Committee Substitute Favorable 5/31/05

Short Title: New Motor Vehicles Warranties.

(Public)

Sponsors:

Referred to:

April 19, 2005

A BILL TO BE ENTITLED

1 AN ACT TO CLARIFY THE MAXIMUM WEIGHT OF A MOTOR VEHICLE THAT
2 IS SUBJECT TO THE NEW MOTOR VEHICLES WARRANTIES ACT AND TO
3 PROMOTE THE EXPEDITIOUS SETTLEMENT OF CLAIMS WHEN THE
4 CONSUMER REQUESTS THE MANUFACTURER TO REPURCHASE THE
5 MOTOR VEHICLE.
6

7 The General Assembly of North Carolina enacts:

8 **SECTION 1.** G.S. 20-351.1(3) reads as rewritten:

9 "(3) 'Motor vehicle' includes a motor vehicle as defined in G.S. 20-4.01
10 ~~which that~~ is sold or leased in this State, but does not include 'house
11 trailer' as defined in G.S. 20-4.01 or any motor vehicle ~~with a gross~~
12 ~~vehicle weight of that~~ weighs more than 10,000 pounds or
13 more pounds."

14 **SECTION 2.** G.S. 20-351.3(c) reads as rewritten:

15 "(c) Refunds shall be made to the consumer, ~~lessor-lessee~~, and any lienholders as
16 their interests may appear. The refund to the consumer shall be reduced by a reasonable
17 allowance for the consumer's use of the vehicle. A reasonable allowance for use ~~is that~~
18 ~~amount directly attributable to use by the consumer prior to his first report of the~~
19 ~~nonconformity to the manufacturer, its agent, or its authorized dealer, and during any~~
20 ~~subsequent period when the vehicle is not out of service because of repair. 'Reasonable~~
21 ~~allowance' is presumed to be the cash price or the lease price, as the case may be, of the~~
22 ~~vehicle multiplied by a fraction having as its denominator 100,000 miles and its~~
23 ~~numerator the number of miles attributed to the consumer.~~ means the number of miles
24 attributable to a consumer up to the date of the third attempt to repair the same
25 nonconformity which is the subject of the claim, or the first attempt to repair a
26 nonconformity that is likely to cause death or serious bodily injury, or the twentieth
27 cumulative day when the vehicle is out of service by reason of repair of one or more
28 nonconformities, whichever occurs first, multiplied by the purchase price of the vehicle,

1 or in the event of a leased vehicle, the lessor's actual lease price plus an amount equal to
2 two percent (2%) of the purchase price, and divided by 120,000."

3 **SECTION 3.** This act becomes effective October 1, 2005, and applies to
4 contracts entered into on or after that date.