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## 2007 -- H 5198

# STATE OF RHODE ISLAND

#### IN GENERAL ASSEMBLY

#### JANUARY SESSION, A.D. 2007

#### AN ACT

### RELATING TO MOTOR AND OTHER VEHICLES - WARRANTIES

Introduced By: Representatives Menard, Petrarca, Ucci, Winfield, and Melo

Date Introduced: January 25, 2007

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1	SECTION 1. Section 31-5.2-1 of the General Laws in Chapter 31-5.2 entitled "Consumer
2	Enforcement of Motor Vehicle Warranties" is hereby amended to read as follows:
3	31-5.2-1. Definitions The following words and phrases, for the purposes of this
4	chapter, have the following meanings:
5	(1) "Consumer" means a buyer, other than for purposes of resale, of a motor vehicle, any
6	person to whom that motor vehicle is transferred for the same purposes during the duration of any
7	express or implied warranty applicable to that motor vehicle, and any other person entitled by the
8	terms of that warranty to enforce its obligations.
9	(2) "Dealer" means any person engaged in the business of selling, offering to sell,
10	soliciting, or advertising the sale of new motor vehicles.
11	(3) "Lease price" means the aggregate of:
12	(i) Lessor's actual purchase costs.
13	(ii) Collateral charges, if applicable.
14	(iii) Any fee paid to another to obtain the lease.
15	(iv) Any insurance or other costs expended by the lessor for the benefit of the lessee.
16	(v) An amount equal to state and local sales taxes not otherwise included as collateral
17	charges, paid by the lessor when the vehicle was initially purchased.

18 (vi) An amount equal to five percent (5%) of the lessor's actual purchase costs.

19 (4) "Lessee" means any consumer who leases a motor vehicle for one year or more

pursuant to a written lease agreement which provides that the lessee is responsible for repairs to
 such motor vehicle or any consumer who leases a motor vehicle pursuant to a lease-purchase
 agreement.

4 (5) "Lessee cost" means the aggregate deposit and rental payments previously paid to the 5 lessor for the leased vehicle.

6 (6) "Lessor" means a person who holds title to a motor vehicle leased to a lessee under a
7 written lease agreement or who holds the lessor's rights under such agreement.

8 (7) "Manufacturer" means any person, partnership, firm, association, corporation, or 9 trust, resident or nonresident, which is engaged in the business of manufacturing or assembling 10 new motor vehicles, or which is engaged in the business of importing new motor vehicles which 11 are manufactured or assembled outside of the United States.

12 (8) "Motor vehicle" or "vehicle" means an automobile, truck, motorcycle, or van having 13 a registered gross vehicle weight of less than ten thousand pounds (10,000 lbs.), sold, leased, or 14 replaced by a dealer or manufacturer, <u>or a municipality or municipal agency owned or leased fire</u> 15 <u>department motorized apparatus</u> except that it shall not include a motorized camper as defined in 16 section 31-1-3.

(9) "Nonconformity" means any specific or generic defect or malfunction, or any
concurrent combination of such defects or malfunctions, that substantially impairs the use, market
value, or safety of a motor vehicle.

(10) "Term of protection" means one year or fifteen thousand (15,000) miles of use from
the date of original delivery of a new motor vehicle to the consumer, whichever comes first; or, in
the case of a replacement vehicle provided by a manufacturer to a consumer under this chapter,
one year or fifteen thousand (15,000) miles from the date of delivery to the consumer of that
replacement vehicle, whichever comes first.

(11) "Motor vehicle arbitration board" means the board to be established by the department of attorney general as set forth in section 31-5.2-7.1, which board shall replace the consumers' council automobile dispute settlement panel.

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SECTION 2. This act shall take effect upon passage.

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#### **EXPLANATION**

## BY THE LEGISLATIVE COUNCIL

### OF

## AN ACT

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- 1 This act would expand the application of the lemon law warranty lease to include fire
- 2 department motorized apparatus.
- 3 This act would take effect upon passage.

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