WEST VIRGINIA LEGISLATURE 2017 REGULAR SESSION

Committee Substitute

for

Senate Bill 216

BY SENATORS TRUMP AND BLAIR

[Originating in the Committee on the Judiciary;
reported on March 17, 2017]

A BILL to amend and reenact §46A-6-107 of the Code of West Virginia, 1931, as amended; and to amend said code by adding thereto two new sections, designated §46A-6-107a and §46A-6-107b, all relating generally to warranties for used motor vehicles; providing that a consumer who purchases a used motor vehicle may waive a warranty as to a particular defect or malfunction which the merchant has disclosed in writing to the consumer; providing that a waiver of warranties is not effective unless the waiver satisfies certain requirements; providing that a used motor vehicle may only be sold "as is" under certain circumstances; providing certain disclosure requirements for "as is" sales of used motor vehicles; providing that a consumer shall sign and date the disclosure for an "as is" sale in order for the disclosure to be effective; providing that a merchant disclose in writing certain defects or malfunctions when selling a used motor vehicle "as is"; providing that the merchant shall provide the consumer a copy of a nationally recognized vehicle history report for the used motor vehicle; and providing that an "as is" sale of a used motor vehicle waives implied warranties but does not waive any express warranties.

Be it enacted by the Legislature of West Virginia:

That §46A-6-107 of the Code of West Virginia, 1931, as amended, be amended and reenacted; and that said code be amended by adding thereto two new sections, designated §46A-6-107a and §46A-6-107b, all to read as follows:

ARTICLE 6. GENERAL CONSUMER PROTECTION.

§46A-6-107. Disclaimer of warranties and remedies prohibited.

- Notwithstanding any other provision of law to the contrary Except as otherwise provided in this article, with respect to goods which are the subject of or are intended to become the subject of a consumer transaction, no merchant shall:
- (1) Exclude, modify or otherwise attempt to limit any warranty, express or implied, including the warranties of merchantability and fitness for a particular purpose; or
 - (2) Exclude, modify or attempt to limit any remedy provided by law, including the measure

7	of damages available, for a breach of warranty, express or implied.
8	Any such exclusion, modification or attempted limitation shall be is void, except as
9	otherwise provided in this article.
	§46A-6-107a. Waiver of warranties for used motor vehicles.
1	Notwithstanding the provisions of section one hundred seven of this article, a consumer
2	who purchases a used motor vehicle may waive a warranty as to a particular defect or malfunction
3	which the merchant has disclosed in writing to the consumer. The waiver is not effective unless
4	the waiver:
5	(1) Is in writing;
6	(2) Is conspicuous and is in plain language;
7	(3) Identifies with particularity the disclosed defect or malfunction in the used motor vehicle
8	for which the warranty is to be waived;
9	(4) Describes any additional defects or malfunctions, if any, disclosed to the merchant by
10	a previous owner of the used motor vehicle, discoverable by the merchant after an inspection of
11	the used motor vehicle, or that must be repaired before the used motor vehicle can comply with
12	the motor vehicle inspection and test laws set forth in article sixteen, chapter seventeen-c of this
13	code;
14	(5) States that the warranty being waived applies to the disclosed defect or malfunction;
15	<u>and</u>
16	(6) Is signed by both the consumer and the merchant before the sales contract is executed.
	§46A-6-107b. Used motor vehicles sold "as is".
1	(a) Notwithstanding the provisions of section one hundred seven of this article, a used
2	motor vehicle may be sold "as is" if:
3	(1) The used motor vehicle is sold for less than \$2,500;
4	(2) The used motor vehicle has been driven more than eighty thousand miles at the time
5	sold;

6	(3) The used motor vehicle is seven years of age or older, calculated from January 1, of
7	the designated model year of the vehicle;
8	(4) The vehicle has been custom built or modified for show purposes or racing; or
9	(5) The vehicle is inoperable and a total loss.
10	(b) For the purposes of this section, a used motor vehicle is a "total loss" only if there is
11	material damage to the vehicle's frame, unitized structure or suspension system, and the
12	projected cost of repairing the damage exceeds the market value of the vehicle at the time of the
13	incident causing it to be declared a total loss.
14	(c) If a used motor vehicle is sold "as is" pursuant to subsection (a) of this section, a
15	merchant must satisfy the following disclaimer requirements:
16	(1) A disclaimer must appear on the front page of the contract of sale, and shall read as
17	follows:
18	<u>"AS IS"</u>
19	THIS VEHICLE IS SOLD "AS IS." THIS MEANS THAT YOU WILL LOSE YOUR
20	IMPLIED WARRANTIES. YOU WILL HAVE TO PAY FOR ANY REPAIRS NEEDED AFTER
21	THE SALE. IF WE HAVE MADE ANY PROMISES TO YOU, THE LAW SAYS WE MUST KEEP
22	OUR PROMISES EVEN IF WE SELL "AS IS." TO PROTECT YOURSELF, ASK US TO PUT
23	ALL PROMISES IN WRITING.
24	(2) The text of the disclaimer must be printed in 12-point boldfaced type, except the
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	heading, which must be in 16-point extra boldfaced type. The entire disclaimer must be boxed;
26	heading, which must be in 16-point extra boldfaced type. The entire disclaimer must be boxed; (3) The consumer shall sign and date within the box containing the disclaimer prior to the
26 27	
	(3) The consumer shall sign and date within the box containing the disclaimer prior to the
27	(3) The consumer shall sign and date within the box containing the disclaimer prior to the sale;
27 28	(3) The consumer shall sign and date within the box containing the disclaimer prior to the sale; (4) The merchant shall describe in writing any defects or malfunctions, if any, disclosed to

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32	seventeen-c of this code; and
33	(5) The merchant shall provide the consumer a copy of a nationally recognized vehicle
34	history report for the used motor vehicle.
35	(d) An "as is" sale of a used motor vehicle waives implied warranties, but does not waive
36	any express warranties, either oral or written, upon which the consumer relied in entering into the
37	transaction.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.