

2019 REGULAR SESSION 2019 MAR 25 P 4:23

OFFICE WEST VIRGINIA SECRETARY OF STATE

Enrolled

Committee Substitute

for

Committee Substitute

for

Senate Bill 543

SENATORS BLAIR, ROBERTS, AND TARR, original

sponsors

[Passed March 9, 2019; to take effect July 1, 2019]

WEST VIRGINIA LEGISLATURE

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1 AN ACT to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section, 2 designated §46A-6-107a, relating to warranties as to sales of motor vehicles; providing 3 that a used motor vehicle may be sold "as is" under certain circumstances; providing 4 certain disclosure requirements for "as is" sales of used motor vehicles; allowing 5 cancellation of an "as is" sale by the end of the dealer's third business day following the 6 sale if the vehicle has mechanical issues; providing that a consumer shall sign and date 7 the disclosure for an "as is" sale in order for the disclosure to be effective; providing that 8 a merchant disclose in writing certain defects or malfunctions when selling a used motor 9 vehicle "as is"; providing that the merchant provide the consumer a copy of a nationally 10 recognized vehicle history report for the used motor vehicle; and providing that an "as is" 11 sale of a used motor vehicle waives implied warranties but does not waive any express 12 warranties.

Be it enacted by the Legislature of West Virginia:

ARTICLE 6. GENERAL CONSUMER PROTECTION.

§46A-6-107a. Used motor vehicles sold "as is".

- (a) Notwithstanding the provisions of §46A-6-107 of this code, a used motor vehicle may
 be sold "as is" if:
- 3 (1) The vehicle is inoperable and a total loss;
- 4 (2) The vehicle has been custom built or modified for show purposes or racing; or
- 5 (3) The vehicle is the following:
- 6 (A) Sold for less than \$4,000;
- 7 (B) Driven more than 100,000 miles at the time sold; or
- 8 (C) Seven years of age or older as calculated from January 1 of the designated model
 9 year of the vehicle.
- (b) A buyer who purchases a vehicle "as is" that meets the criteria set out in the provisions
 of §46A-6-107a(a)(3) of this code shall have the right to cancel the sale by the end of the dealer's

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third business day following the sale. To cancel the sale, the "as is" vehicle must have a significant mechanical issue or issues that can be reasonably expected to have existed at the time of the sale. Cancellation shall become effective when the buyer returns the "as is" vehicle to the point of sale by the end of the dealer's third business day following the sale.

16 (c) For the purposes of this section, a used motor vehicle is a "total loss" only if:

17 (1) There is material damage to the vehicle's frame, unitized structure, or suspension18 system; and

(2) The projected cost of repairing the damage exceeds the market value of the vehicle atthe time of the incident causing it to be declared a total loss.

(d) If a used motor vehicle is sold "as is" pursuant to this section, a merchant shall satisfy
the following disclaimer requirements:

23 (1) A disclaimer must appear on the front page of the contract of sale;

24 (2) The disclaimer shall read as follows:

25

"AS IS"

26 THIS VEHICLE IS SOLD "AS IS". THIS MEANS THAT YOU WILL LOSE YOUR IMPLIED WARRANTIES. YOU WILL HAVE TO PAY FOR ANY REPAIRS NEEDED AFTER THE SALE. 27 28 IF WE HAVE MADE ANY PROMISES TO YOU, THE LAW SAYS WE MUST KEEP OUR 29 PROMISES EVEN IF WE SELL "AS IS". TO PROTECT YOURSELF, ASK US TO PUT ALL 30 PROMISES IN WRITING. YOU MAY HAVE THE RIGHT TO CANCEL THIS SALE BY THE END 31 OF THE DEALER'S THIRD BUSINESS DAY FOLLOWING THE SALE IF THE VEHICLE HAS 32 SIGNIFICANT MECHANICAL ISSUE THAT CAN BE REASONABLY EXPECTED TO HAVE 33 EXISTED AT THE TIME OF THE SALE.

34 (3) The text of the disclaimer must be printed in 12-point boldfaced type, except the
35 heading, which must be in 16-point extra boldfaced type;

36 (4) The entire disclaimer must be boxed;

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- 37 (5) The consumer shall sign and date within the box containing the disclaimer prior to the38 sale;
- (6) The merchant shall describe in writing any defects or malfunctions, if any, disclosed to
 the merchant by a previous owner of the used motor vehicle or discoverable by the merchant after
 an inspection of the used motor vehicle; and
- 42 (7) The merchant shall provide the consumer a copy of a nationally recognized vehicle43 history report for the used motor vehicle.
- 44 (e) An "as is" sale of a used motor vehicle waives implied warranties, but does not waive
 45 any express warranties, either oral or written, upon which the consumer relied in entering into the
 46 transaction.
- 47 (f) The provisions of this section do not apply to motor vehicles sold as surplus by a state48 agency.
- 49 (g) The provisions of this section only apply to sales directly to consumers.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman,/Senate Committee

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OFFICE WEST VIRGINIA SECRETARY OF STATE

Originated in the Senate.

To take effect July 1, 2019.

Clerk of the Senate

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Chairman, House Committee

Clerk of the House of Delegates

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President of the Senate

Speaker of the House of Delegates

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PRESENTED TO THE GOVERNOR

Last 2 2 2019 Time <u>11:16am</u>