BY: Commerce and Government Matters Committee

AMENDMENTS TO HOUSE BILL NO. 145

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 3, strike "requiring" and substitute "<u>providing that a repair of a malfunction or defect covered under</u>"; and strike beginning with the first "to" in line 4 down through "procedures;" in line 8, and substitute "<u>includes the cost of the teardown and diagnosing the malfunction or defect; specifying that the Maryland Consumer Products Guaranty Act applies to a mechanical repair contract sold by a licensed vehicle dealer; requiring that the provider of services under a mechanical repair contract pay to the purchaser a specified payment plus certain court costs and attorney fees under specified circumstances; providing for the application of this Act;".</u>

AMENDMENT NO. 2

On page 2, strike in their entirety lines 16 through 27, inclusive, and substitute:

- "(F) THE REPAIR OF A MALFUNCTION OR DEFECT COVERED UNDER A MECHANICAL REPAIR CONTRACT SHALL INCLUDE THE COST OF THE TEARDOWN AND DIAGNOSING THE MALFUNCTION OR DEFECT.
- (G) THE PROVISIONS OF THE MARYLAND CONSUMER PRODUCTS GUARANTY ACT, TITLE 14, SUBTITLE 4 OF THE COMMERCIAL LAW ARTICLE, APPLY TO A MECHANICAL REPAIR CONTRACT SOLD BY A LICENSED VEHICLE DEALER.
- (H) IF, AFTER A REQUEST BY THE PURCHASER OF A MECHANICAL REPAIR CONTRACT, THE PROVIDER OF SERVICES FAILS TO HONOR THE TERMS OF THE MECHANICAL REPAIR CONTRACT, THE PROVIDER SHALL PAY TO THE PURCHASER TWO TIMES THE COST OF REPAIR OF THE VEHICLE, PLUS COURT COSTS AND REASONABLE ATTORNEY FEES INCURRED IN ENFORCING THE PROVISIONS OF THE MECHANICAL REPAIR CONTRACT.";

in lines 28 and 31, in each instance, strike "(H)" and substitute " $\underline{\text{(I)}}$ "; and in line 31, strike "(I)" and substitute " $\underline{\text{(J)}}$ ".

AMENDMENT NO. 3

On page 2, after line 33, insert:

"SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed only prospectively and may not be applied or interpreted to alter the effect of any mechanical repair contract entered into before the effective date of this Act.";

and in line 34, strike "2." and substitute "3.".