

HOUSE BILL 889

I3, R7

71r1828

By: **Delegates Burns, Anderson, Aumann, Cane, Elmore, Frank, Jennings,
Nathan-Pulliam, Smigiel, Stukes, and Vaughn**

Introduced and read first time: February 9, 2007

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 19, 2007

CHAPTER _____

1 AN ACT concerning

2 **Commercial ~~Truck~~ Vehicle Warranty Enforcement – Study**

3 FOR the purpose of requiring ~~a manufacturer to replace or accept the return of~~
4 ~~commercial trucks under certain circumstances; establishing certain affirmative~~
5 ~~defenses; requiring a consumer to notify a manufacturer under certain~~
6 ~~circumstances; requiring certain nonconformities, defects, or conditions to be~~
7 ~~corrected within certain periods of time; requiring certain repairs to be~~
8 ~~performed free of charge under certain circumstances; requiring a dealer to~~
9 ~~notify a manufacturer of certain nonconformities, defects, or conditions under~~
10 ~~certain circumstances; requiring a manufacturer to notify certain persons under~~
11 ~~certain circumstances; requiring the return of certain excise taxes to a consumer~~
12 ~~under certain circumstances; providing that a consumer may resort to certain~~
13 ~~informal dispute settlement procedures without prejudice to the consumer's~~
14 ~~legal rights; providing that a manufacturer or dealer may be liable for certain~~
15 ~~damages under certain circumstances; requiring the Motor Vehicle~~
16 ~~Administration to develop a certain notice and make it available to certain~~
17 ~~dealers that sell new commercial trucks in the State; requiring certain dealers~~
18 ~~to provide a copy of the notice to purchasers of new commercial trucks at a~~
19 ~~certain time; requiring the Administration to adopt certain regulations;~~
20 ~~providing that it is an unfair or deceptive trade practice under the Maryland~~

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



~~Consumer Protection Act to violate this Act; providing certain penalties; defining certain terms; providing for the application of this Act~~ the Consumer Protection Division of the Office of the Attorney General, in conjunction with certain units of State government, to study certain issues relating to commercial vehicle warranty enforcement; requiring the Consumer Protection Division to report the results of its study and certain recommendations to certain legislative committees on or before a certain date; and generally relating to a study of commercial trucks and vehicle warranty enforcement.

~~BY repealing and reenacting, with amendments,~~

~~Article — Commercial Law
Section 13-101.1 and 13-301(14)(xxii)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)~~

~~BY repealing and reenacting, without amendments,~~

~~Article — Commercial Law
Section 13-301(14)(xxiii)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)~~

~~BY adding to~~

~~Article — Commercial Law
Section 13-301(14)(xxiv); and 14-15A-01 through 14-15A-06 to be under the new subtitle “Subtitle 15A. Commercial Truck Warranty Enforcement”
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)~~

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That ~~the Laws of Maryland read as follows:~~

(a) The Consumer Protection Division of the Office of the Attorney General, in conjunction with the Motor Vehicle Administration and other interested units of State government, shall study the issue of commercial vehicle warranty enforcement.

(b) The study shall address:

(1) the procedures that a commercial vehicle purchaser, dealer, and manufacturer follow to ensure that applicable vehicle and component part warranties are fulfilled;

(2) the procedures that commercial vehicle dealers and manufacturers follow when a purchaser of a commercial vehicle reports a problem with the vehicle;

(3) whether a model law or standard establishing a mechanism for enforcing commercial vehicle warranties has been adopted in another state;

(4) strategies that dealers and manufacturers of commercial vehicles use to educate purchasers of commercial vehicles about the process for making a claim and obtaining benefits under a commercial vehicle warranty; and

(5) whether there is a need to establish a commercial vehicle warranty enforcement program in Maryland and, if so, what elements the program should include.

(c) On or before January 1, 2008, the Consumer Protection Division shall report its findings, and any recommendations for regulatory or statutory changes needed to implement the recommendations, to the House Economic Matters Committee and the Senate Finance Committee, in accordance with § 2-1246 of the State Government Article.

~~Article—Commercial Law~~

~~13-101.1.~~

~~The provisions of this title apply to the subject matter of a consumer contract as defined in § 22-102 of this article, AND TO A COMMERCIAL TRUCK WARRANTY UNDER TITLE 14, SUBTITLE 15A OF THIS ARTICLE, in the same manner they apply to consumer goods and consumer services.~~

~~13-301.~~

~~Unfair or deceptive trade practices include any:~~

~~(14) Violation of a provision of:~~

~~(xxii) Section 14-1319 or § 14-1320 of this article; [or]~~

~~(xxiii) Section 7-304 of the Criminal Law Article; or~~

~~(xxiv) TITLE 14, SUBTITLE 15A OF THIS ARTICLE, COMMERCIAL TRUCK WARRANTY ENFORCEMENT; OR~~

~~SUBTITLE 15A. COMMERCIAL TRUCK WARRANTY ENFORCEMENT.~~

1 ~~14-15A-01.~~

2 ~~(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS~~
 3 ~~INDICATED.~~

4 ~~(B) "COMMERCIAL TRUCK" MEANS A VEHICLE THAT IS REGISTERED IN~~
 5 ~~THIS STATE AS A:~~

6 ~~(1) CLASS E (TRUCK) VEHICLE WITH A MANUFACTURER'S RATED~~
 7 ~~CAPACITY EXCEEDING THREE FOURTHS TON; OR~~

8 ~~(2) CLASS F (TRACTOR) VEHICLE.~~

9 ~~(C) "CONSUMER" MEANS:~~

10 ~~(1) THE PURCHASER, OTHER THAN FOR PURPOSES OF RESALE,~~
 11 ~~OF A NEW COMMERCIAL TRUCK;~~

12 ~~(2) ANY PERSON TO WHOM A NEW COMMERCIAL TRUCK IS~~
 13 ~~TRANSFERRED DURING THE DURATION OF THE WARRANTY APPLICABLE TO~~
 14 ~~THAT COMMERCIAL TRUCK; OR~~

15 ~~(3) ANY OTHER PERSON WHO IS ENTITLED TO ENFORCE THE~~
 16 ~~OBLIGATIONS OF THE WARRANTY.~~

17 ~~(D) "DEALER" HAS THE MEANING STATED IN § 15-101(C) OF THE~~
 18 ~~TRANSPORTATION ARTICLE.~~

19 ~~(E) "MANUFACTURER, FACTORY BRANCH, OR DISTRIBUTOR" MEANS A~~
 20 ~~PERSON, PARTNERSHIP, ASSOCIATION, CORPORATION, OR ENTITY ENGAGED IN~~
 21 ~~THE BUSINESS OF MANUFACTURING OR ASSEMBLING COMMERCIAL TRUCKS OR~~
 22 ~~OF DISTRIBUTING COMMERCIAL TRUCKS TO MOTOR VEHICLE DEALERS AS~~
 23 ~~DEFINED IN § 15-201(B), (C), AND (E) OF THE TRANSPORTATION ARTICLE.~~

24 ~~(F) (1) "MANUFACTURER'S WARRANTY PERIOD" MEANS THE~~
 25 ~~EARLIER OF:~~

26 ~~(i) THE PERIOD OF THE COMMERCIAL TRUCK'S FIRST~~
 27 ~~50,000 MILES OF OPERATION; OR~~

1 ~~(H) 15 MONTHS FOLLOWING THE DATE OF ORIGINAL~~
2 ~~DELIVERY OF THE COMMERCIAL TRUCK TO THE CONSUMER.~~

3 ~~(2) THIS SUBSECTION DOES NOT EXTEND ANY MANUFACTURER'S~~
4 ~~EXPRESS WARRANTY.~~

5 ~~(G) "WARRANTY" MEANS WARRANTIES AS DEFINED IN §§ 2-312, 2-313,~~
6 ~~2-314, AND 2-315 OF THIS ARTICLE.~~

7 ~~14-15A-02.~~

8 ~~(A) THIS SUBTITLE APPLIES TO A COMMERCIAL TRUCK:~~

9 ~~(1) THAT IS PURCHASED FOR USE AS A PRINCIPAL ASSET IN A~~
10 ~~COMMERCIAL, UTILITY, OR INDUSTRIAL BUSINESS; AND~~

11 ~~(2) ON THE PURCHASE OF WHICH AN INDIVIDUAL IS PERSONALLY~~
12 ~~LIABLE EITHER AS A SIGNATORY OR AS A GUARANTOR.~~

13 ~~(B) THIS SUBTITLE DOES NOT APPLY TO:~~

14 ~~(1) A FLEET PURCHASE OF FIVE OR MORE COMMERCIAL TRUCKS;~~
15 ~~OR~~

16 ~~(2) A COMMERCIAL TRUCK WITH AN AFTERMARKET~~
17 ~~MODIFICATION OR ALTERATION THAT INTERFERES WITH THE OPERATION OF~~
18 ~~THE COMMERCIAL TRUCK AS DESIGNED AND INTENDED BY THE~~
19 ~~MANUFACTURER.~~

20 ~~14-15A-03.~~

21 ~~(A) IF THE MANUFACTURER'S WARRANTY PERIOD IS TO INCLUDE THOSE~~
22 ~~MILES OF OPERATION WHEN THE NEW COMMERCIAL TRUCK IS IN THE~~
23 ~~POSSESSION OF ANY PERSON OTHER THAN THE CONSUMER, THE~~
24 ~~MANUFACTURER SHALL STATE THAT FACT IN 12 POINT, BOLD FACE TYPE IN~~
25 ~~THE MANUFACTURER'S WRITTEN WARRANTY.~~

26 ~~(B) (1) (i) IF A NEW COMMERCIAL TRUCK DOES NOT CONFORM TO~~
27 ~~ALL APPLICABLE WARRANTIES DURING THE WARRANTY PERIOD, THE~~
28 ~~CONSUMER SHALL, DURING THAT PERIOD, REPORT THE NONCONFORMITY,~~

~~1 DEFECT, OR CONDITION BY GIVING WRITTEN NOTICE TO THE MANUFACTURER
2 OR FACTORY BRANCH BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED.~~

~~3 (H) NOTICE OF THIS PROCEDURE MUST BE CONSPICUOUSLY
4 DISCLOSED TO THE CONSUMER IN WRITING AT THE TIME OF SALE OR DELIVERY
5 OF THE COMMERCIAL TRUCK.~~

~~6 (2) THE CONSUMER SHALL PROVIDE AN OPPORTUNITY FOR THE
7 MANUFACTURER OR FACTORY BRANCH, OR ITS AGENT, TO CURE THE
8 NONCONFORMITY, DEFECT, OR CONDITION.~~

~~9 (3) (I) THE MANUFACTURER OR FACTORY BRANCH, ITS AGENT,
10 OR ITS AUTHORIZED DEALER SHALL CORRECT THE NONCONFORMITY, DEFECT,
11 OR CONDITION AT NO CHARGE TO THE CONSUMER, EVEN IF REPAIRS ARE MADE
12 AFTER THE EXPIRATION OF THE WARRANTY PERIOD.~~

~~13 (H) THE CORRECTIONS SHALL BE COMPLETED WITHIN 30
14 DAYS AFTER THE MANUFACTURER'S RECEIPT OF THE CONSUMER'S
15 NOTIFICATION OF THE NONCONFORMITY, DEFECT, OR CONDITION.~~

~~16 (C) (1) IF, DURING THE WARRANTY PERIOD, THE MANUFACTURER OR
17 FACTORY BRANCH, ITS AGENT, OR ITS AUTHORIZED DEALER IS UNABLE TO
18 REPAIR OR CORRECT ANY DEFECT OR CONDITION THAT SUBSTANTIALLY
19 IMPAIRS THE USE AND MARKET VALUE OF THE COMMERCIAL TRUCK TO THE
20 CONSUMER AFTER A REASONABLE NUMBER OF ATTEMPTS, THE
21 MANUFACTURER OR FACTORY BRANCH, AT THE OPTION OF THE CONSUMER,
22 SHALL:~~

~~23 (I) REPLACE THE COMMERCIAL TRUCK WITH A
24 COMPARABLE COMMERCIAL TRUCK ACCEPTABLE TO THE CONSUMER; OR~~

~~25 (II) ACCEPT RETURN OF THE COMMERCIAL TRUCK FROM
26 THE CONSUMER AND REFUND TO THE CONSUMER THE FULL PURCHASE PRICE
27 INCLUDING ALL LICENSE FEES, REGISTRATION FEES, AND ANY SIMILAR
28 GOVERNMENTAL CHARGES, LESS:~~

~~29 1. A REASONABLE ALLOWANCE FOR THE
30 CONSUMER'S USE OF THE VEHICLE NOT TO EXCEED 15% OF THE PURCHASE
31 PRICE; AND~~

1 ~~2. A REASONABLE ALLOWANCE FOR DAMAGE NOT~~
2 ~~ATTRIBUTABLE TO NORMAL WEAR BUT NOT TO INCLUDE DAMAGE RESULTING~~
3 ~~FROM A NONCONFORMITY, DEFECT, OR CONDITION.~~

4 ~~(2) THE MANUFACTURER OR FACTORY BRANCH SHALL MAKE~~
5 ~~REFUNDS UNDER THIS SECTION TO THE CONSUMER AND LIENHOLDER, IF ANY,~~
6 ~~AS THEIR INTERESTS APPEAR ON THE RECORDS OF OWNERSHIP MAINTAINED BY~~
7 ~~THE MOTOR VEHICLE ADMINISTRATION.~~

8 ~~(3) IT IS AN AFFIRMATIVE DEFENSE TO ANY CLAIM UNDER THIS~~
9 ~~SECTION THAT THE NONCONFORMITY, DEFECT, OR CONDITION:~~

10 ~~(I) DOES NOT SUBSTANTIALLY IMPAIR THE USE AND~~
11 ~~MARKET VALUE OF THE COMMERCIAL TRUCK; OR~~

12 ~~(II) IS THE RESULT OF ABUSE, NEGLIGENCE, OR~~
13 ~~UNAUTHORIZED MODIFICATIONS OR ALTERATIONS OF THE COMMERCIAL~~
14 ~~TRUCK.~~

15 ~~(D) IT SHALL BE PRESUMED THAT A REASONABLE NUMBER OF~~
16 ~~ATTEMPTS HAS BEEN UNDERTAKEN TO CONFORM A COMMERCIAL TRUCK TO~~
17 ~~THE APPLICABLE WARRANTIES IF:~~

18 ~~(1) THE SAME NONCONFORMITY, DEFECT, OR CONDITION HAS~~
19 ~~BEEN SUBJECT TO REPAIR FOUR OR MORE TIMES BY THE MANUFACTURER OR~~
20 ~~FACTORY BRANCH OR ITS AGENTS OR AUTHORIZED DEALERS, WITHIN THE~~
21 ~~WARRANTY PERIOD, BUT THAT NONCONFORMITY, DEFECT, OR CONDITION~~
22 ~~CONTINUES TO EXIST;~~

23 ~~(2) THE VEHICLE IS OUT OF SERVICE BY REASON OF REPAIR OF~~
24 ~~ONE OR MORE NONCONFORMITIES, DEFECTS, OR CONDITIONS FOR A~~
25 ~~CUMULATIVE TOTAL OF 30 OR MORE DAYS DURING THE WARRANTY PERIOD; OR~~

26 ~~(3) A NONCONFORMITY, DEFECT, OR CONDITION RESULTING IN~~
27 ~~FAILURE OF THE BRAKING OR STEERING SYSTEM HAS BEEN SUBJECT TO THE~~
28 ~~SAME REPAIR AT LEAST ONCE WITHIN THE WARRANTY PERIOD, AND THE~~
29 ~~MANUFACTURER HAS BEEN NOTIFIED AND GIVEN THE OPPORTUNITY TO CURE~~
30 ~~THE DEFECT, AND THE REPAIR DOES NOT BRING THE VEHICLE INTO~~
31 ~~COMPLIANCE WITH THE MOTOR VEHICLE SAFETY INSPECTION LAWS OF THE~~
32 ~~STATE.~~

1 ~~(E) THE TERM OF ANY WARRANTY, THE WARRANTY PERIOD, AND THE~~
2 ~~30 DAY, OUT OF SERVICE PERIOD SHALL BE EXTENDED BY ANY TIME DURING~~
3 ~~WHICH REPAIR SERVICES ARE NOT AVAILABLE TO THE CONSUMER BECAUSE OF~~
4 ~~WAR, INVASION, OR STRIKE, OR FIRE, FLOOD, OR OTHER NATURAL DISASTER.~~

5 ~~(F) (1) (i) IT IS THE DUTY OF A DEALER TO NOTIFY THE~~
6 ~~MANUFACTURER OF THE EXISTENCE OF A NONCONFORMITY, DEFECT, OR~~
7 ~~CONDITION WITHIN 7 DAYS AFTER THE COMMERCIAL TRUCK IS:~~

8 ~~1. DELIVERED TO THE SAME DEALER FOR A FOURTH~~
9 ~~TIME FOR REPAIR OF THE SAME NONCONFORMITY; OR~~

10 ~~2. OUT OF SERVICE BY REASON OF REPAIR OF ONE~~
11 ~~OR MORE NONCONFORMITIES, DEFECTS, OR CONDITIONS FOR A CUMULATIVE~~
12 ~~TOTAL OF 20 DAYS.~~

13 ~~(ii) 1. THE NOTIFICATION SHALL BE SENT BY CERTIFIED~~
14 ~~MAIL AND A COPY OF THE NOTIFICATION SHALL BE SENT TO THE MOTOR~~
15 ~~VEHICLE ADMINISTRATION.~~

16 ~~2. FAILURE OF THE DEALER TO GIVE THE NOTICE~~
17 ~~REQUIRED UNDER THIS SUBSECTION MAY NOT AFFECT THE CONSUMER'S RIGHT~~
18 ~~UNDER THIS SUBTITLE.~~

19 ~~(2) IF A COMMERCIAL TRUCK IS RETURNED TO A MANUFACTURER~~
20 ~~OR FACTORY BRANCH EITHER UNDER THIS SUBTITLE, OR BY JUDGMENT,~~
21 ~~DECREE, ARBITRATION AWARD, OR SETTLEMENT AGREEMENT, OR BY~~
22 ~~VOLUNTARY AGREEMENT, THE MANUFACTURER OR FACTORY BRANCH SHALL~~
23 ~~NOTIFY THE MOTOR VEHICLE ADMINISTRATION IN WRITING WITHIN 15 DAYS~~
24 ~~AFTER THE RETURN OF THE COMMERCIAL TRUCK.~~

25 ~~(G) (1) (i) IF A COMMERCIAL TRUCK THAT IS RETURNED TO THE~~
26 ~~MANUFACTURER EITHER UNDER THIS SUBTITLE OR BY JUDGMENT, DECREE,~~
27 ~~ARBITRATION AWARD, OR SETTLEMENT AGREEMENT, OR BY VOLUNTARY~~
28 ~~AGREEMENT IN THIS OR ANY OTHER STATE AND IS THEN TRANSFERRED TO A~~
29 ~~DEALER IN THIS STATE, THE MANUFACTURER SHALL DISCLOSE THIS~~
30 ~~INFORMATION TO THE DEALER.~~

1 ~~(H) THE MANUFACTURER'S DISCLOSURE UNDER THIS~~
2 ~~PARAGRAPH SHALL BE IN WRITING ON A SEPARATE PIECE OF PAPER IN~~
3 ~~10 POINT, ALL CAPITAL TYPE AND SHALL STATE IN A CLEAR AND CONSPICUOUS~~
4 ~~MANNER;~~

5 ~~1. THAT THE COMMERCIAL TRUCK WAS RETURNED~~
6 ~~TO THE MANUFACTURER OR FACTORY BRANCH;~~

7 ~~2. THE NATURE OF THE DEFECT, IF ANY, THAT~~
8 ~~RESULTED IN THE RETURN; AND~~

9 ~~3. THE CONDITION OF THE COMMERCIAL TRUCK AT~~
10 ~~THE TIME THAT IT IS TRANSFERRED TO THE DEALER.~~

11 ~~(2) (I) IF THE RETURNED VEHICLE IS THEN MADE AVAILABLE~~
12 ~~FOR RESALE, THE SELLER SHALL PROVIDE A COPY OF THE MANUFACTURER'S~~
13 ~~DISCLOSURE FORM TO THE CONSUMER BEFORE THE SALE.~~

14 ~~(H) IF THE RETURNED VEHICLE IS SOLD, THE SELLER~~
15 ~~SHALL SEND A COPY OF THE MANUFACTURER'S DISCLOSURE FORM, SIGNED BY~~
16 ~~THE CONSUMER, TO THE MOTOR VEHICLE ADMINISTRATION.~~

17 ~~(H) THIS SECTION DOES NOT LIMIT THE RIGHTS OR REMEDIES THAT~~
18 ~~ARE OTHERWISE AVAILABLE TO A CONSUMER UNDER ANY OTHER LAW,~~
19 ~~INCLUDING ANY IMPLIED WARRANTIES.~~

20 ~~(I) (1) IF A MANUFACTURER OR FACTORY BRANCH HAS~~
21 ~~ESTABLISHED AN INFORMAL DISPUTE SETTLEMENT PROCEDURE SIMILAR TO~~
22 ~~THAT WHICH APPLIES TO CONSUMER MOTOR VEHICLE PURCHASES UNDER~~
23 ~~TITLE 16, C.F.R., PART 703 AND SUBTITLE 15 OF THIS TITLE, A CONSUMER~~
24 ~~MAY RESORT TO THAT PROCEDURE BEFORE SUBSECTION (C) OF THIS SECTION~~
25 ~~APPLIES.~~

26 ~~(2) A CONSUMER WHO HAS RESORTED TO AN INFORMAL DISPUTE~~
27 ~~SETTLEMENT PROCEDURE MAY NOT BE PRECLUDED FROM SEEKING THE~~
28 ~~RIGHTS OR REMEDIES AVAILABLE BY LAW.~~

29 ~~(J) (1) ANY AGREEMENT ENTERED INTO BY A CONSUMER FOR THE~~
30 ~~PURCHASE OF A NEW COMMERCIAL TRUCK THAT WAIVES, LIMITS, OR DISCLAIMS~~
31 ~~THE RIGHTS SET FORTH IN THIS SECTION IS VOID.~~

1 ~~(2) THE RIGHTS AVAILABLE TO A CONSUMER UNDER THIS~~
2 ~~SECTION SHALL RUN TO THE BENEFIT OF ANY SUBSEQUENT TRANSFEREE OF A~~
3 ~~NEW COMMERCIAL TRUCK FOR THE DURATION OF THE APPLICABLE~~
4 ~~WARRANTIES.~~

5 ~~(K) ANY ACTION BROUGHT UNDER THIS SECTION SHALL BE~~
6 ~~COMMENCED WITHIN 3 YEARS AFTER THE DATE OF ORIGINAL DELIVERY OF THE~~
7 ~~COMMERCIAL TRUCK TO THE CONSUMER.~~

8 ~~(L) (1) A COURT MAY AWARD REASONABLE ATTORNEY'S FEES TO A~~
9 ~~PREVAILING PLAINTIFF UNDER THIS SECTION.~~

10 ~~(2) IF IT APPEARS TO THE SATISFACTION OF THE COURT THAT AN~~
11 ~~ACTION IS BROUGHT IN BAD FAITH OR IS OF A FRIVOLOUS NATURE, THE COURT~~
12 ~~MAY ORDER THE OFFENDING PARTY TO PAY TO THE OTHER PARTY REASONABLE~~
13 ~~ATTORNEY'S FEES.~~

14 ~~14-15A-04.~~

15 ~~(A) THE MOTOR VEHICLE ADMINISTRATION SHALL:~~

16 ~~(1) DEVELOP A NOTICE THAT DESCRIBES THE RIGHTS PROVIDED~~
17 ~~TO CONSUMERS UNDER THIS SUBTITLE;~~

18 ~~(2) MAKE THE NOTICE AVAILABLE TO ALL DEALERS THAT SELL IN~~
19 ~~THIS STATE NEW COMMERCIAL TRUCKS SUBJECT TO THIS SUBTITLE; AND~~

20 ~~(3) ADOPT REGULATIONS AS NECESSARY TO IMPLEMENT THE~~
21 ~~PROVISIONS OF THIS SECTION.~~

22 ~~(B) THE NOTICE SHALL:~~

23 ~~(1) BE WRITTEN IN SIMPLE AND READABLE PLAIN LANGUAGE;~~
24 ~~AND~~

25 ~~(2) CONTAIN SUFFICIENT DETAIL TO FULLY INFORM CONSUMERS~~
26 ~~ABOUT THE RIGHTS AND REMEDIES AVAILABLE UNDER THIS SUBTITLE AND THE~~
27 ~~PROCEDURES TO FOLLOW TO ENFORCE THOSE RIGHTS AND REMEDIES.~~

1 ~~(C) EACH DEALER THAT SELLS A NEW COMMERCIAL TRUCK IN THE~~
2 ~~STATE SHALL PROVIDE TO THE PURCHASER, AT THE TIME OF THE SALE OR~~
3 ~~DELIVERY OF THE COMMERCIAL TRUCK, A COPY OF THE NOTICE DEVELOPED BY~~
4 ~~THE MOTOR VEHICLE ADMINISTRATION UNDER THIS SECTION.~~

5 ~~14-15A-05.~~

6 ~~(A) (1) SUBJECT TO SUBSECTION (B) OF THIS SECTION, IF A DEALER,~~
7 ~~MANUFACTURER, FACTORY BRANCH, OR DISTRIBUTOR IS REQUIRED UNDER A~~
8 ~~JUDGMENT, DECREE, ARBITRATION AWARD, OR SETTLEMENT AGREEMENT TO~~
9 ~~ACCEPT, OR BY VOLUNTARY AGREEMENT ACCEPTS, RETURN OF A COMMERCIAL~~
10 ~~TRUCK FROM A CONSUMER, THE CONSUMER SHALL BE ENTITLED TO RECOVER~~
11 ~~FROM THE MOTOR VEHICLE ADMINISTRATION THE EXCISE TAXES ORIGINALLY~~
12 ~~PAID BY THE CONSUMER.~~

13 ~~(2) (I) SUBJECT TO SUBSECTION (B) OF THIS SECTION, IF A~~
14 ~~DEALER, MANUFACTURER, FACTORY BRANCH, OR DISTRIBUTOR REPLACES A~~
15 ~~COMMERCIAL TRUCK WITH A COMPARABLE COMMERCIAL TRUCK UNDER §~~
16 ~~14-15A-03(C)(1)(I) OF THIS SUBTITLE, THE MOTOR VEHICLE ADMINISTRATION~~
17 ~~SHALL ALLOW A CREDIT AGAINST THE EXCISE TAX IMPOSED FOR THE~~
18 ~~REPLACEMENT VEHICLE IN THE AMOUNT OF THE EXCISE TAXES ORIGINALLY~~
19 ~~PAID BY THE CONSUMER FOR THE RETURNED VEHICLE.~~

20 ~~(II) 1. IF THE EXCISE TAX ON THE REPLACEMENT~~
21 ~~VEHICLE EXCEEDS THE CREDIT ALLOWED UNDER SUBPARAGRAPH (I) OF THIS~~
22 ~~PARAGRAPH, THE DEALER SHALL COLLECT ONLY THAT PORTION OF EXCISE TAX~~
23 ~~DUE; OR~~

24 ~~2. IF THE EXCISE TAX ON THE VEHICLE BEING~~
25 ~~REPLACED EXCEEDS THE EXCISE TAX ON THE REPLACEMENT VEHICLE, THE~~
26 ~~CONSUMER SHALL BE ENTITLED TO RECOVER FROM THE MOTOR VEHICLE~~
27 ~~ADMINISTRATION THE EXCESS OF THE EXCISE TAX PAID.~~

28 ~~(B) THE EXCISE TAXES THAT A CONSUMER IS ENTITLED TO RECOVER~~
29 ~~UNDER THIS SECTION SHALL BE CALCULATED BASED ON THE AMOUNT OF THE~~
30 ~~PURCHASE PRICE OR ANY PORTION OF THE PURCHASE PRICE OF THE~~
31 ~~COMMERCIAL TRUCK THAT THE DEALER, MANUFACTURER, FACTORY BRANCH,~~
32 ~~OR DISTRIBUTOR REFUNDS TO THE CONSUMER.~~

1 ~~(C) A DEALER, MANUFACTURER, FACTORY BRANCH, OR DISTRIBUTOR~~
 2 ~~THAT IS REQUIRED UNDER A JUDGMENT, DECREE, ARBITRATION AWARD, OR~~
 3 ~~SETTLEMENT AGREEMENT TO ACCEPT, OR WHO ACCEPTS, BY VOLUNTARY~~
 4 ~~AGREEMENT, RETURN OF A COMMERCIAL TRUCK SHALL NOTIFY THE CONSUMER~~
 5 ~~IN WRITING THAT THE CONSUMER IS ENTITLED TO RECOVER THE EXCISE TAX~~
 6 ~~FROM THE MOTOR VEHICLE ADMINISTRATION.~~

7 ~~14-15A-06.~~

8 ~~(A) A VIOLATION OF THIS SUBTITLE IS AN UNFAIR OR DECEPTIVE~~
 9 ~~TRADE PRACTICE UNDER TITLE 13 OF THIS ARTICLE.~~

10 ~~(B) IN ADDITION TO ANY OTHER REMEDIES THAT MAY BE AVAILABLE~~
 11 ~~UNDER THIS SUBTITLE, IF A MANUFACTURER, FACTORY BRANCH, OR~~
 12 ~~DISTRIBUTOR IS FOUND TO HAVE ACTED IN BAD FAITH, THE COURT MAY AWARD~~
 13 ~~THE CONSUMER DAMAGES NOT EXCEEDING \$10,000 FOR EACH ACTION IN BAD~~
 14 ~~FAITH.~~

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
 16 ~~October~~ June 1, 2007.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.