

SENATE BILL 133

I3, R7

9lr1004
CF HB 121

By: **Senators Forehand and Miller**

Introduced and read first time: January 19, 2009

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 13, 2009

CHAPTER _____

1 AN ACT concerning

2 ~~Task Force to Study Changes to the Automotive Warranty Enforcement Act~~

3 Consumer Protection – Automotive Warranty Enforcement Act – Warranty
4 Period

5 FOR the purpose of ~~establishing the Task Force to Study Changes to the Automotive~~
6 ~~Warranty Enforcement Act; providing for the membership of the Task Force;~~
7 ~~providing for the appointment of the chair of the Task Force; providing for the~~
8 ~~staffing of the Task Force; providing that a member of the Task Force may not~~
9 ~~receive compensation but is entitled to a certain reimbursement; requiring the~~
10 ~~Task Force to study and make recommendations regarding certain topics;~~
11 ~~requiring the Task Force to make a certain report to the Governor and General~~
12 ~~Assembly on or before a certain date; providing for the termination of this Act;~~
13 ~~altering the definition of “manufacturer’s warranty period” for purposes of the~~
14 ~~Automotive Warranty Enforcement Act to extend the warranty period; and~~
15 ~~generally relating to motor vehicles and motor vehicle warranty enforcement.~~

16 BY repealing and reenacting, without amendments,

17 Article – Commercial Law

18 Section 14–1501(a)

19 Annotated Code of Maryland

20 (2005 Replacement Volume and 2008 Supplement)

21 BY repealing and reenacting, with amendments,

22 Article – Commercial Law

23 Section 14–1501(e)

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.



1 Annotated Code of Maryland
2 (2005 Replacement Volume and 2008 Supplement)

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

5 Article - Commercial Law

6 14-1501.

7 (a) In this subtitle the following words have the meanings indicated.

8 (e) (1) “Manufacturer’s warranty period” means the earlier of:

9 (i) The period of the motor vehicle’s first [15,000] **18,000** miles
10 of operation; or

11 (ii) [15] **24** months following the date of original delivery of the
12 motor vehicle to the consumer.

13 (2) This subsection does not extend any manufacturer’s express
14 warranty.

15 ~~(a) There is a Task Force to Study Changes to the Automotive Warranty~~
16 ~~Enforcement Act.~~

17 ~~(b) The Task Force consists of the following members:~~

18 ~~(1) two members of the Senate of Maryland, appointed by the~~
19 ~~President of the Senate;~~

20 ~~(2) two members of the House of Delegates, appointed by the Speaker~~
21 ~~of the House;~~

22 ~~(3) the Attorney General, or the Attorney General’s designee; and~~

23 ~~(4) the following members appointed by the Governor:~~

24 ~~(i) one representative of the Alliance of Automobile~~
25 ~~Manufacturers;~~

26 ~~(ii) one representative of the New Car and Truck Dealers~~
27 ~~Association; and~~

28 ~~(iii) four representatives of the general public.~~

1 ~~(c) To the extent practicable, the members appointed to the Task Force shall~~
2 ~~reasonably reflect the geographic, racial, ethnic, cultural, and gender diversity of the~~
3 ~~State.~~

4 ~~(d) The President of the Senate and the Speaker of the House shall jointly~~
5 ~~designate the chair of the Task Force.~~

6 ~~(e) The Office of the Attorney General shall provide staff for the Task Force.~~

7 ~~(f) A member of the Task Force:~~

8 ~~(1) may not receive compensation as a member of the Task Force; but~~

9 ~~(2) is entitled to reimbursement for expenses under the Standard~~
10 ~~State Travel Regulations, as provided in the State budget.~~

11 ~~(g) The Task Force shall study and make recommendations on the following:~~

12 ~~(1) the appropriate amount for a refund of motor vehicles with defects~~
13 ~~that cannot be cured;~~

14 ~~(2) any need to clarify current law on what is considered a repair~~
15 ~~attempt under the Automotive Warranty Enforcement Act;~~

16 ~~(3) what the burden of proof of a plaintiff should be in a civil action~~
17 ~~under the Automotive Warranty Enforcement Act;~~

18 ~~(4) whether a court should be required to award costs and reasonable~~
19 ~~attorney's fees to a prevailing plaintiff under the Automotive Warranty Enforcement~~
20 ~~Act;~~

21 ~~(5) any additional disclosures that a manufacturer, factory branch, or~~
22 ~~dealer should be required to make to a consumer seeking repair of a motor vehicle~~
23 ~~defect;~~

24 ~~(6) whether the provisions of the Automotive Warranty Enforcement~~
25 ~~Act should be expanded to include used motor vehicles or commercial vehicles;~~

26 ~~(7) whether the manufacturer's warranty period should be extended~~
27 ~~beyond 15 months based on the time a motor vehicle is under repair;~~

28 ~~(8) the Motor Vehicle Administration's method of indicating in its~~
29 ~~titling records that a vehicle has been returned to a manufacturer or factory branch~~
30 ~~under the Automotive Warranty Enforcement Act and what information the Motor~~
31 ~~Vehicle Administration maintains or should maintain concerning those vehicles;~~

32 ~~(9) whether a dealer that previously sold or attempted to repair a~~
33 ~~motor vehicle returned to a manufacturer under the Automotive Warranty~~

1 ~~Enforcement Act should be prohibited from reacquiring the motor vehicle through any~~
2 ~~means; and~~

3 ~~(10) whether a State run arbitration program should be created to~~
4 ~~resolve disputes under the Automotive Warranty Enforcement Act.~~

5 ~~(h) On or before December 1, 2009, the Task Force shall report its findings~~
6 ~~and recommendations to the Governor and, in accordance with § 2-1246 of the State~~
7 ~~Government Article, the General Assembly.~~

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
9 ~~June~~ October 1, 2009. ~~It shall remain effective for a period of 1 year and, at the end of~~
10 ~~May 31, 2010, with no further action required by the General Assembly, this Act shall~~
11 ~~be abrogated and of no further force and effect.~~

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.