

# HOUSE BILL No. 5613

January 25, 2006, Introduced by Reps. Espinoza, Plakas, Alma Smith, Kathleen Law, McDowell, Lipsey, Kolb, Wojno, Vagnozzi, Condino, Brown, Anderson and Leland and referred to the Committee on Commerce.

A bill to amend 1986 PA 87, entitled

"An act regarding warranties on new motor vehicles; to require certain repairs to new motor vehicles; to provide remedies for the failure to repair such vehicles; and to prescribe duties for certain state agencies,"

(MCL 257.1401 to 257.1410) by amending the title, as amended by 1998 PA 486, and by adding section 9a.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

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TITLE

An act regarding warranties on new motor vehicles; to require  
~~certain repairs to new motor vehicles~~ **REPAIR OF CERTAIN DEFECTS IN**  
**OR CONDITIONS OF A NEW MOTOR VEHICLE;** to provide remedies for the  
failure to repair ~~such vehicles~~ **THOSE DEFECTS OR CONDITIONS; TO**  
**REQUIRE CERTAIN DISCLOSURES AND WARRANTIES ON RESALE OF A MOTOR**  
**VEHICLE RETURNED TO A MANUFACTURER UNDER THIS ACT; TO PRESCRIBE**  
**PENALTIES AND PROVIDE REMEDIES FOR A FAILURE TO PROVIDE DISCLOSURES**

1 AND WARRANTIES; and to prescribe duties for certain state agencies.

2 SEC. 9A. (1) ALL OF THE FOLLOWING APPLY TO A MOTOR VEHICLE  
3 RETURNED TO A MANUFACTURER UNDER THIS ACT:

4 (A) THE MANUFACTURER SHALL FULLY REPAIR THE DEFECT OR  
5 CONDITION THAT WAS THE BASIS FOR RETURNING THE MOTOR VEHICLE TO THE  
6 MANUFACTURER UNDER THIS ACT BEFORE TRANSFERRING THE MOTOR VEHICLE  
7 TO A DEALER FOR RESALE.

8 (B) A DEALER THAT ACQUIRES THE MOTOR VEHICLE FOR RESALE SHALL  
9 PROVIDE ANY PROSPECTIVE PURCHASER WITH A VEHICLE HISTORY THAT  
10 INCLUDES A DESCRIPTION OF ANY WARRANTY WORK THAT WAS PERFORMED ON  
11 THE MOTOR VEHICLE BY OR ON BEHALF OF THE MANUFACTURER, ANY REPAIR  
12 WORK PERFORMED OR ATTEMPTED ON THE MOTOR VEHICLE BY THE  
13 MANUFACTURER FOR PURPOSES OF ADDRESSING A DEFECT OR CONDITION UNDER  
14 THIS ACT, ANY REPAIR OR WARRANTY WORK PERFORMED ON THE MOTOR  
15 VEHICLE BY THE DEALER, AND ANY OTHER REPAIR OR WARRANTY WORK ON THE  
16 MOTOR VEHICLE KNOWN TO THE MANUFACTURER OR DEALER. THE MANUFACTURER  
17 SHALL PROVIDE THE DEALER WITH ANY REPAIR, WARRANTY, OR OTHER  
18 INFORMATION POSSESSED BY THE MANUFACTURER CONCERNING THE MOTOR  
19 VEHICLE UPON REQUEST.

20 (C) IF A DEALER VIOLATES SUBDIVISION (B) IN A SALE OF THE  
21 MOTOR VEHICLE, THE PURCHASER MAY RETURN THE MOTOR VEHICLE TO THE  
22 DEALER AND THE DEALER SHALL ACCEPT RETURN OF THE MOTOR VEHICLE,  
23 REFUND TO THE PURCHASER AND TO ANY HOLDER OF A PERFECTED SECURITY  
24 INTEREST IN THE MOTOR VEHICLE THE FULL PURCHASE PRICE PAID FOR THE  
25 MOTOR VEHICLE, REIMBURSE THE PURCHASER OR HOLDER FOR ANY FINANCE  
26 CHARGE, SALES TAX, SHIPPING COSTS, AND COLLATERAL COSTS PAID BY THE  
27 PURCHASER OR HOLDER IN CONNECTION WITH THE SALE, AND REIMBURSE THE

1 PURCHASER A REASONABLE AMOUNT FOR HIS OR HER INCONVENIENCE.

2 (D) THE MANUFACTURER OF THE MOTOR VEHICLE SHALL PROVIDE ANY  
3 PURCHASER OF THE MOTOR VEHICLE WITH AN EXPRESS WARRANTY THAT  
4 WARRANTS AGAINST A RECURRENCE OF THE DEFECT OR CONDITION THAT WAS  
5 THE BASIS FOR RETURNING THE MOTOR VEHICLE TO THE MANUFACTURER UNDER  
6 THIS ACT, UNLESS THE RECURRENCE OF THE DEFECT OR CONDITION IS THE  
7 RESULT OF ABUSE OR NEGLIGENCE OF THE MOTOR VEHICLE BY A PURCHASER OF  
8 THE MOTOR VEHICLE. A WARRANTY PROVIDED UNDER THIS SUBDIVISION SHALL  
9 COVER ANY PURCHASER AND COVER THE VEHICLE FOR AT LEAST 90 DAYS OR  
10 3,000 MILES OF USE, WHICHEVER OCCURS FIRST.

11 (2) A DEALER OR MANUFACTURER THAT VIOLATES THIS SECTION IS  
12 GUILTY OF A MISDEMEANOR PUNISHABLE BY A FINE OF NOT LESS THAN  
13 \$50,000.00.

14 (3) AS USED IN THIS SECTION, "DEALER" MEANS A NEW VEHICLE  
15 DEALER OR ANY OTHER DEALER, AS DEALER IS DEFINED IN SECTION 11 OF  
16 THE MICHIGAN VEHICLE CODE, 1949 PA 300, MCL 257.11.