

SENATE BILL No. 1053

February 22, 2006, Introduced by Senator SWITALSKI and referred to the Committee on Commerce and Labor.

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,"

by amending section 1 (MCL 257.1401), as amended by 1998 PA 486.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. As used in this act:

2 (a) "Consumer" means 1 or more of the following:

3 (i) A person who purchases or leases a new motor vehicle for
4 personal, family, or household use and not for the purpose of
5 selling or leasing the new motor vehicle to another person.

6 (ii) A person who purchases or leases less than 10 new motor
7 vehicles a year.

8 (iii) A person who purchases or leases 10 or more new motor

1 vehicles a year only if the vehicles are purchased or leased for
2 personal, family, or household use.

3 (iv) Any other person entitled to enforce the provisions of an
4 express warranty pursuant to the terms of that warranty.

5 (b) "Lessee" means a person who, under a lease, acquires the
6 right to possession and use of a new motor vehicle.

7 (c) "Lessor" means a person who, under a lease, transfers the
8 right to possession and use of a new motor vehicle.

9 (d) "Manufacturer" means a person who manufactures, assembles,
10 or is a distributor of new motor vehicles and includes an agent of
11 a manufacturer but does not include a new motor vehicle dealer.

12 (e) "Manufacturer's express warranty" means an express
13 warranty as determined under the uniform commercial code, 1962 PA
14 174, MCL 440.1101 to 440.11102, offered by the manufacturer on a
15 new motor vehicle.

16 (f) "Motor vehicle" means a motor vehicle as defined in
17 section 33 of the Michigan vehicle code, 1949 PA 300, MCL 257.33,
18 that is designed as a passenger vehicle, **MOTOR HOME**, or sport
19 utility vehicle, but does not include a ~~motor home~~, bus, truck
20 other than a pickup truck or van, or a vehicle designed to travel
21 on less than 4 wheels.

22 **(G) "MOTOR HOME" MEANS A MOTOR HOME AS DEFINED IN SECTION 32A**
23 **OF THE MICHIGAN VEHICLE CODE, 1949 PA 300, MCL 257.32A.**

24 **(H) —(g)—** "New motor vehicle" means a motor vehicle that is
25 purchased or leased in this state or purchased or leased by a
26 resident of this state and is covered by a manufacturer's express
27 warranty at the time of purchase or lease.

1 (I) ~~—(h)—~~ "New motor vehicle dealer" means a person or that
2 person's agent who holds a dealer agreement for the sale of new
3 motor vehicles, who is engaged in the business of purchasing,
4 leasing, selling, exchanging, or dealing in new motor vehicles, and
5 who has an established place of business in this state.

6 (J) ~~—(i)—~~ "Person" means a natural person, ~~a~~ sole
7 proprietorship, partnership, corporation, **LIMITED LIABILITY**
8 **COMPANY**, association, unit or agency of government, trust, estate,
9 or other legal entity.

10 (K) ~~—(j)—~~ "Resident of this state" means ~~as follows~~ **ANY OF**
11 **THE FOLLOWING:**

12 (i) ~~For an individual, an~~ **AN** individual who is a legal
13 resident of this state.

14 (ii) ~~For a sole proprietorship or partnership, a~~ **A** sole
15 proprietorship or partnership created pursuant to the laws of this
16 state ~~and its~~ **WHOSE** main office is located in this state.

17 (iii) ~~For a corporation, a~~ **A** corporation that is a domestic
18 corporation ~~and was~~ created under the laws of this state.

19 (iv) ~~For an association, an~~ **AN** association created pursuant
20 to the laws of this state ~~and its~~ **WHOSE** main office is located in
21 this state.

22 (v) ~~For a unit or agency of government, a~~ **A** unit or agency
23 of government located in this state.

24 (vi) ~~For a trust, estate, or other legal entity, a~~ **A** trust,
25 estate, or other legal entity created pursuant to the laws of this
26 state and that is located in this state.

27 (l) ~~—(k)—~~ "Lease price" means the actual vehicle sales price

1 paid by the lessor including any cash payment by the consumer and
2 the sum equal to any allowance for any trade-in but excludes debt
3 from any other transaction as well as any manufacturer to consumer
4 discount, rebate, or incentive appearing in the agreement or
5 contract that the consumer received or that was applied to reduce
6 the purchase or lease cost. Additionally, any sales tax, license
7 and registration fees, and similar government charges not included
8 elsewhere paid by the lessor on behalf of the lessee are included
9 as a part of lease price.

10 (M) ~~(I)~~ "Purchase price" means the actual vehicle sales price
11 listed on the buyer's order including any cash payment by the
12 consumer and the sum equal to any allowance for any trade-in but
13 excludes debt from any other transaction as well as any
14 manufacturer to consumer discount, rebate, or incentive appearing
15 in the agreement or contract that the consumer received or that was
16 applied to reduce the purchase cost. Additionally, any sales tax,
17 license and registration fees, and similar government charges not
18 included elsewhere paid by the consumer are included as a part of
19 purchase price.