

# 2003 SESSION

REPRINT

## CHAPTER 1003

*An Act to amend and reenact §§ 32.1-222, 32.1-224, 32.1-226, and 59.1-200 of the Code of Virginia, relating to the regulation of bedding and upholstered furniture.*

[H 2810]

Approved April 2, 2003

**Be it enacted by the General Assembly of Virginia:**

**1. That §§ 32.1-222, 32.1-224, 32.1-226, and 59.1-200 of the Code of Virginia are amended and reenacted as follows:**

§ 32.1-222. Return of improperly tagged items; payment of costs of return; failure to pay costs.

*Upon a complaint made to the Commissioner as provided in § 32.1-224, the Commissioner may order the return of any item of bedding or upholstered furniture or any filling material made, remade, renovated, reupholstered, prepared, processed, tagged or not tagged in violation of the provisions of this article to the manufacturer or importer thereof. The manufacturer or importer shall be liable to the person returning such item for the costs of crating, shipping and the invoice price to the purchaser. Failure of a manufacturer or importer to pay such costs to the person returning such item shall be grounds for revocation or suspension of a license issued pursuant to this article.*

§ 32.1-224. Administration and enforcement by Commissioner; refusal, suspension or revocation of license or permit.

The Commissioner is charged with the administration and enforcement of this article, *except as otherwise provided in this article. Only upon a complaint made to the Commissioner relating to a violation of this article may the Commissioner inspect the premises of a holder of a license or permit issued by the Commissioner.* The Commissioner may refuse to issue, may suspend or may revoke the license or permit of any person (i) who violates any provision of this article, any regulation of the Board pursuant to this article or any order of the Board or Commissioner or (ii) who is not a resident of ~~this the~~ the Commonwealth and fails or refuses to enter an appearance in any circuit court in ~~this the~~ the Commonwealth to answer a charge or charges of violation of any provision of this article, regulation of the Board or order of the Board or Commissioner within ~~twenty-five~~ 25 days after service upon him of a notice by certified mail.

§ 32.1-226. Violation a misdemeanor; application of the Virginia Consumer Protection Act.

A. Any person violating any provision of this article or any regulation of the Board adopted pursuant to this article shall be guilty of a Class 2 misdemeanor.

B. *Additionally, any violation of the provisions of this article or regulations of the Board shall constitute a prohibited practice in accordance with § 59.1-200 and shall be subject to any and all of the enforcement provisions of the Virginia Consumer Protection Act (§ 59.1-196 et seq.).*

§ 59.1-200. Prohibited practices.

A. The following fraudulent acts or practices committed by a supplier in connection with a consumer transaction are hereby declared unlawful:

1. Misrepresenting goods or services as those of another;
2. Misrepresenting the source, sponsorship, approval, or certification of goods or services;
3. Misrepresenting the affiliation, connection or association of the supplier, or of the goods or services, with another;
4. Misrepresenting geographic origin in connection with goods or services;
5. Misrepresenting that goods or services have certain quantities, characteristics, ingredients, uses, or benefits;
6. Misrepresenting that goods or services are of a particular standard, quality, grade, style, or model;
7. Advertising or offering for sale goods ~~which that~~ are used, secondhand, repossessed, defective, blemished, deteriorated, or reconditioned, or ~~which that~~ are "seconds," irregulars, imperfections, or "not first class," without clearly and unequivocally indicating in the advertisement or offer for sale that the goods are used, secondhand, repossessed, defective, blemished, deteriorated, reconditioned, or are "seconds," irregulars, imperfections or "not first class";
8. Advertising goods or services with intent not to sell them as advertised, or with intent not to sell at the price or upon the terms advertised.

In any action brought under this subdivision, the refusal by any person, or any employee, agent, or servant thereof, to sell any goods or services advertised or offered for sale at the price or upon the terms advertised or offered, shall be prima facie evidence of a violation of this subdivision. This paragraph shall not apply when it is clearly and conspicuously stated in the advertisement or offer by which such goods or services are advertised or offered for sale, that the supplier or offeror has a limited quantity or amount of such goods or services for sale, and the supplier or offeror at the time of such advertisement

or offer did in fact have or reasonably expected to have at least such quantity or amount for sale;

9. Making false or misleading statements of fact concerning the reasons for, existence of, or amounts of price reductions;

10. Misrepresenting that repairs, alterations, modifications, or services have been performed or parts installed;

11. Misrepresenting by the use of any written or documentary material ~~which~~ *that* appears to be an invoice or bill for merchandise or services previously ordered;

12. Notwithstanding any other provision of law, using in any manner the words "wholesale," "wholesaler," "factory," or "manufacturer" in the supplier's name, or to describe the nature of the supplier's business, unless the supplier is actually engaged primarily in selling at wholesale or in manufacturing the goods or services advertised or offered for sale;

13. Using in any contract or lease any liquidated damage clause, penalty clause, or waiver of defense, or attempting to collect any liquidated damages or penalties under any clause, waiver, damages, or penalties ~~which~~ *that* are void or unenforceable under any otherwise applicable laws of ~~this~~ *the* Commonwealth, or under federal statutes or regulations;

14. Using any other deception, fraud, false pretense, false promise, or misrepresentation in connection with a consumer transaction;

15. Violating any provision of §§ 3.1-796.78, 3.1-796.79, or § 3.1-796.82, relating to the sale of certain animals by pet dealers which is described in such sections, is a violation of this chapter;

16. Failing to disclose all conditions, charges, or fees relating to:

a. The return of goods for refund, exchange, or credit. Such disclosure shall be by means of a sign attached to the goods, or placed in a conspicuous public area of the premises of the supplier, so as to be readily noticeable and readable by the person obtaining the goods from the supplier. If the supplier does not permit a refund, exchange, or credit for return, he shall so state on a similar sign. The provisions of this subdivision shall not apply to any retail merchant who has a policy of providing, for a period of not less than ~~twenty~~ 20 days after date of purchase, a cash refund or credit to the purchaser's credit card account for the return of defective, unused, or undamaged merchandise upon presentation of proof of purchase. In the case of merchandise paid for by check, the purchase shall be treated as a cash purchase and any refund may be delayed for a period of ~~ten~~ 10 banking days to allow for the check to clear. This subdivision does not apply to sale merchandise ~~which~~ *that* is obviously distressed, out of date, post season, or otherwise reduced for clearance; nor does this subdivision apply to special order purchases where the purchaser has requested the supplier to order merchandise of a specific or unusual size, color, or brand not ordinarily carried in the store or the store's catalog; nor shall this subdivision apply in connection with a transaction for the sale or lease of motor vehicles, farm tractors, or motorcycles as defined in § 46.2-100;

b. A layaway agreement. Such disclosure shall be furnished to the consumer (i) in writing at the time of the layaway agreement, or (ii) by means of a sign placed in a conspicuous public area of the premises of the supplier, so as to be readily noticeable and readable by the consumer, or (iii) on the bill of sale. Disclosure shall include the conditions, charges, or fees in the event that a consumer breaches the agreement;

16a. Failing to provide written notice to a consumer of an existing open-end credit balance in excess of ~~five dollars~~ \$5 (i) on an account maintained by the supplier and (ii) resulting from such consumer's overpayment on such account. Suppliers shall give consumers written notice of such credit balances within ~~sixty~~ 60 days of receiving overpayments. If the credit balance information is incorporated into statements of account furnished consumers by suppliers within such ~~sixty~~ 60-day period, no separate or additional notice is required;

17. If a supplier enters into a written agreement with a consumer to resolve a dispute ~~which~~ *that* arises in connection with a consumer transaction, failing to adhere to the terms and conditions of such an agreement;

18. Violating any provision of the Virginia Health Spa Act, Chapter 24 (§ 59.1-294 et seq.) of this title;

19. Violating any provision of the Virginia Home Solicitation Sales Act, Chapter 2.1 (§ 59.1-21.1 et seq.) of this title;

20. Violating any provision of the Automobile Repair Facilities Act, Chapter 17.1 (§ 59.1-207.1 et seq.) of this title;

21. Violating any provision of the Virginia Lease-Purchase Agreement Act, Chapter 17.4 (§ 59.1-207.17 et seq.) of this title;

22. Violating any provision of the Prizes and Gifts Act, Chapter 31 (§ 59.1-415 et seq.) of this title;

23. Violating any provision of the Virginia Public Telephone Information Act, Chapter 32 (§ 59.1-424 et seq.) of this title;

24. Violating any provision of § 54.1-1505;

25. Violating any provision of the Motor Vehicle Manufacturers' Warranty Adjustment Act, Chapter 17.6 (§ 59.1-207.34 et seq.) of this title;

26. Violating any provision of § 3.1-949.1, relating to the pricing of merchandise;

27. Violating any provision of the Pay-Per-Call Services Act, Chapter 33 (§ 59.1-429 et seq.) of this title;
  28. Violating any provision of the Extended Service Contract Act, Chapter 34 (§ 59.1-435 et seq.) of this title;
  29. Violating any provision of the Virginia Membership Camping Act, Chapter 25 (§ 59.1-311 et seq.) of this title;
  30. Violating any provision of the Comparison Price Advertising Act, Chapter 17.7 (§ 59.1-207.40 et seq.) of this title;
  31. Violating any provision of the Virginia Travel Club Act, Chapter 36 (§ 59.1-445 et seq.) of this title;
  32. Violating any provision of §§ 46.2-1231 and 46.2-1233.1;
  33. Violating any provision of Chapter 40 (§ 54.1-4000 et seq.) of Title 54.1;
  34. Violating any provision of Chapter 10.1 (§ 58.1-1031 et seq.) of Title 58.1;
  35. Using the consumer's social security number as the consumer's account number with the supplier, if the consumer has requested in writing that the supplier use an alternate number not associated with the consumer's social security number; ~~and~~
  36. Violating any provision of Chapter 18 (§ 6.1-444 et seq.) of Title 6.1; *and*
  37. *Violating any provision of Article 7 (§ 32.1-212 et seq.) of Chapter 6 of Title 32.1.*
- B. Nothing in this section shall be construed to invalidate or make unenforceable any contract or lease solely by reason of the failure of such contract or lease to comply with any other law of the Commonwealth or any federal statute or regulation, to the extent such other law, statute or regulation provides that a violation of such law, statute or regulation shall not invalidate or make unenforceable such contract or lease.
- 2. That the Board of Health shall promulgate regulations to implement the provisions of this act to be effective within 280 days of its enactment.**
- 3. That, in promulgating the regulations required by the second enactment clause, the Board of Health shall review the fees being charged for the services delivered by the Department of Health pursuant to Article 7 (§ 32.1-212 et seq.) of Chapter 6 of Title 32.1 as such services and fees were in effect prior to July 1, 2003, and shall revise such fees, as appropriate, consistent with the level of services required by this act.**