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SENATE BILL NO. 153

Offered January 11, 2006

Prefiled January 10, 2006

A BILL to amend and reenact § 46.2-1529.1 of the Code of Virginia, relating to sales of used motor vehicles; pre-purchase inspection notification.

Patron—Norment

Referred to Committee on Transportation

Be it enacted by the General Assembly of Virginia:**1. That § 46.2-1529.1 of the Code of Virginia is amended and reenacted as follows:**

§ 46.2-1529.1. Sales of used motor vehicles by dealers; disclosures; penalty.

A. If, in any retail sale by a dealer of a used motor vehicle of under 6,000 pounds gross vehicle weight for use on the public highways, and normally used for personal, family or household use, the dealer offers an express warranty, the dealer shall provide the buyer a written disclosure of this warranty. The written disclosure shall be the Buyer's Guide required by federal law, shall be completely filled out and, in addition, signed and dated by the buyer and incorporated as part of the buyer's order.

B. *In any retail sale by a dealer of a used motor vehicle of under 6,000 pounds gross vehicle weight for use on the public highways and normally used for personal, family or household use, the dealer shall notify the buyer of the buyer's right to request a pre-purchase inspection by a mechanic the buyer chooses either on the lot or off the lot of the dealer. The notification shall be the Buyer's Guide required by federal law, shall be completely filled out and, in addition, signed and dated by the buyer and incorporated as part of the buyer's order. If a dealer so notifies a buyer, the buyer shall be conclusively deemed to have knowledge of the condition of the vehicle and the buyer's sole cause of action in the event the buyer contends the vehicle is not in the condition represented by the dealer shall be for breach of any express warranty provided pursuant to subsection A hereof, unless the buyer proves by a preponderance of the evidence that the dealer refused to allow the inspection. A document in writing signed by the buyer that the buyer knew of the right to obtain a pre-purchase inspection and either the buyer chose to obtain the inspection or the buyer did not choose to obtain the inspection shall be conclusive proof that the dealer did not refuse to allow an inspection.*

BC. A dealer may sell a used motor vehicle at retail "AS IS" and exclude all warranties only if the dealer provides the buyer, prior to sale, a separate written disclosure as to the effect of an "AS IS" sale. The written disclosure shall be conspicuous and contained on the front of the buyer's order and printed in not less than bold, ten-point type and signed by the buyer: "I understand that this vehicle is being sold "AS IS" with all faults and is not covered by any dealer warranty. I understand that the dealer is not required to make any repairs after I buy this vehicle. I will have to pay for any repairs this vehicle will need." A fully completed Buyer's Guide, as required by federal law, shall be signed and dated by the buyer and incorporated as part of the buyer's order.

CD. Failure to provide the applicable disclosure required by subsection A, ~~or~~ B, or C of this section shall be punishable by a civil penalty of no more than \$1,000. Any such civil penalty shall be paid into the general fund of the state treasury. Furthermore, if the applicable disclosure required by subsection A, ~~or~~ B, or C of this section is not provided as required in this section, the buyer may cancel the sale within thirty days. In this case, the buyer shall have the right to return the vehicle to the dealer and obtain a full refund of all payments made toward the purchase of the vehicle, less any damage to the vehicle incurred while ownership was vested in the purchaser, and less a reasonable amount for the use not to exceed one-half the amount allowed per mile by the Internal Revenue Service, as provided by regulation, revenue procedure, or revenue ruling promulgated pursuant to § 162 of the Internal Revenue Code, for use of a personal vehicle for business purposes. Notice of the provisions of this subsection shall be included as part of every disclosure made under subsection A, ~~or~~ B, or C of this section.

INTRODUCED

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