LD5035432

<div style="text-align:right">H O U S E   S U B S T I T U T E</div>

1   **HOUSE BILL NO. 2185**
2   AMENDMENT IN THE NATURE OF A SUBSTITUTE
3   (Proposed by the Joint Conference Committee
4   on February 25, 1995)
5   (Patron Prior to Substitute—Delegate Robinson)
6   *A BILL to amend and reenact § 46.2-1530 of the Code of Virginia and to amend the Code of Virginia*
7   *by adding a section numbered 46.2-1529.1, relating to sales of used motor vehicles by dealers;*
8   *motor vehicle buyer's orders; penalty.*
9   **Be it enacted by the General Assembly of Virginia:**
10   **1. That § 46.2-1530 of the Code of Virginia is amended and reenacted and that the Code of**
11   **Virginia is amended by adding a section numbered 46.2-1529.1 as follows:**
12   *§ 46.2-1529.1. Sales of used motor vehicles by dealers; disclosures; penalty.*
13   *A. If, in any retail sale by a dealer of a used motor vehicle of under 6,000 pounds gross vehicle*
14   *weight for use on the public highways, and normally used for personal, family or household use, the*
15   *dealer offers a warranty, the dealer shall provide the buyer a written disclosure of this warranty. The*
16   *written disclosure shall be conspicuous and contained on the front of the buyer's order and printed in*
17   *not less than bold, ten-point type and signed by the buyer.*
18   *B. A dealer may sell a used motor vehicle at retail "AS IS" and exclude all warranties only if the*
19   *dealer provides the buyer, prior to sale, a separate written disclosure as to the effect of an "AS IS" sale.*
20   *The written disclosure shall be conspicuous and contained on the front of the buyer's order and printed*
21   *in not less than bold, ten-point type and signed by the buyer: "I understand that this vehicle is being*
22   *sold "AS IS" with all faults and is not covered by any dealer warranty. I understand that the dealer is*
23   *not required to make any repairs after I buy this vehicle. I will have to pay for any repairs this vehicle*
24   *will need."*
25   *C. Failure to provide the applicable disclosure required by subsection A or B of this section shall be*
26   *punishable by a civil penalty of no more than $1,000. Any such civil penalty shall be paid into the*
27   *general fund of the state treasury. Furthermore, if the applicable disclosure required by subsection A or*
28   *B of this section is not provided as required in this section, the buyer may cancel the sale within thirty*
29   *days. In this case, the dealer shall return to the buyer any down payment and/or trade-in he submitted*
30   *to the dealer, provided the purchased vehicle is returned to the dealer in the same condition as*
31   *delivered to the buyer, normal wear and tear excepted. Notice of the provisions of this subsection shall*
32   *be included as part of every disclosure made under subsection A or B of this section.*
33   § 46.2-1530. Buyer's order.
34   A. Every motor vehicle dealer shall complete, in duplicate, a buyer's order for each sale or exchange
35   of a motor vehicle. A copy of the buyer's order form shall be made available to a prospective buyer
36   during the negotiating phase of a sale and prior to any sales agreement. The completed original shall be
37   retained for a period of four years in accordance with § 46.2-1529, and a duplicate copy shall be
38   delivered to the purchaser at the time of sale or exchange. A buyer's order shall include:
39   1. The name and address of the person to whom the vehicle was sold or traded.
40   2. The date of the sale or trade.
41   3. The name and address of the motor vehicle dealer selling or trading the vehicle.
42   4. The make, model year, vehicle identification number and body style of the vehicle.
43   5. The sale price of the vehicle.
44   6. The amount of any cash deposit made by the buyer.
45   7. A description of any vehicle used as a trade-in and the amount credited the buyer for the trade-in.
46   The description of the trade-in shall be the same as outlined in subdivision 4 of this subsection.
47   8. The amount of any sales and use tax, title fee, uninsured motor vehicle fee, registration fee, or
48   other fee required by law for which the buyer is responsible and the dealer has collected. Each tax and
49   fee shall be individually listed and identified.
50   9. The net balance due at settlement.
51   10. Any item designated as "processing fee," and the amount charged by the dealer, if any, for
52   processing the transaction. As used in this section processing includes obtaining title and license plates
53   for the purchaser.
54   11. Any item designated as "dealer's business license tax," and the amount charged by the dealer, if
55   any.
56   12. For sales involving dealer-arranged financing, the following notice, printed in bold type no less
57   than ten-point: "THIS SALE IS CONDITIONED UPON APPROVAL OF YOUR PROPOSED RETAIL
58   INSTALLMENT SALE CONTRACT AS SUBMITTED TO OR THROUGH THE DEALER. IF THAT
59   PROPOSED RETAIL INSTALLMENT SALE CONTRACT IS NOT APPROVED UNDER THE

60 TERMS AGREED TO WITH THE DEALER, YOU MAY CANCEL THIS SALE AND ANY DOWN
61 PAYMENT AND/OR TRADE-IN YOU SUBMITTED WILL BE RETURNED TO YOU, PROVIDED
62 THAT ANY VEHICLE DELIVERED TO YOU BY THE DEALER PURSUANT TO THIS
63 AGREEMENT IS RETURNED TO THE DEALER IN THE SAME CONDITION AS DELIVERED TO
64 YOU, NORMAL WEAR AND TEAR EXCEPTED, WITHIN TWENTY-FOUR HOURS OF WRITTEN
65 OR ORAL NOTICE TO YOU OF THE CREDIT DENIAL."
66   *13. For sales of used motor vehicles, the disclosure required by § 46.2-1529.1.*
67   If the transaction does not include a policy of motor vehicle liability insurance, the seller shall stamp
68 or mark on the face of the bill of sale in boldface letters no smaller than eighteen point type the
69 following words: "No Liability Insurance Included."
70   A completed buyer's order when signed by both buyer and seller may constitute a bill of sale.
71   B. The Commissioner shall approve a buyer's order form and each dealer shall file with each license
72 application, or renewal, its buyer's order form, on which the processing fee amount is stated.
73   C. If a processing fee is charged, that fact and the amount of the processing fee shall be disclosed by
74 the dealer. Disclosure shall be by placing a clear and conspicuous sign in the public sales area of the
75 dealership. The sign shall be no smaller than eight and one-half inches by eleven inches and the print
76 shall be no smaller than one-half inch, and in a form as approved by the Commissioner.