

**\*\*\*Adopted\*\*\***

**AMENDMENT No. 2 PROPOSED TO**

**Senate Bill NO. 2626**

**By Senator(s) Carlton**

1           **AMEND by inserting after line 7275 the following and**  
2 **renumbering subsequent section(s) accordingly:**

3           SECTION \*. The following shall be codified as Section  
4 75-77-6, Mississippi Code of 1972:

5           75-77-6. This section applies to a warranty claim submitted  
6 by a retailer:

7           (a) Claims filed for payment under warranty agreements  
8 shall either be approved or disapproved within thirty (30) days of  
9 receipt by the supplier. All claims for payment shall be paid  
10 within thirty (30) days of their approval. When any such claim is  
11 disapproved, the supplier shall notify the retailer within thirty  
12 (30) days stating the specific grounds upon which the disapproval  
13 is based. If a claim is not specifically disapproved within  
14 thirty (30) days of receipt, it shall be deemed approved and  
15 payment by the supplier shall be within thirty (30) days.

16           (b) If after termination of a contract the retailer  
17 submits a claim to the supplier for warranty work performed prior  
18 to the effective date of the termination, the supplier shall  
19 accept or reject the claim within thirty (30) days of receipt.

20           (c) Warranty work performed by the retailer shall be

21 compensated in accordance with the reasonable and customary amount  
22 of time required to complete the work, expressed in hours and  
23 fractions thereof, multiplied by the retailer's established  
24 customer hourly retail labor rate, which shall have previously  
25 been made known to the supplier.

26 (d) Expenses expressly excluded under the supplier's  
27 warranty to the customer shall not be included nor required to be  
28 paid on requests for compensation from the retailer for warrant  
29 work performed.

30 (e) All parts used by the retailer in performing  
31 warranty work shall be paid to the retailer in the amount equal to  
32 the retailer's net price for parts used, plus a minimum of fifteen  
33 percent (15%). The percentage additive is to reimburse the  
34 retailer for reasonable costs of doing business in performing  
35 warranty service on the suppliers behalf, including, but not  
36 limited to, freight and handling costs incurred.

37 (f) The supplier has the right to adjust for errors  
38 discovered during audit, and if necessary, to adjust claims paid  
39 in error.

40 (g) The retailer shall have the right to accept the  
41 manufacturer's reimbursement terms and conditions in lieu of the  
42 provisions of this section.

43 SECTION \*. Section 75-77-19, Mississippi Code of 1972, is  
44 amended as follows:

45 75-77-19. (1) Except as otherwise provided in Section  
46 75-77-6, the provisions of this chapter shall not be waivable in  
47 any contract, and any such attempted waiver shall be null and  
48 void.

49 (2) If any provision or item of this chapter or the  
50 application thereof is held invalid, it shall not affect other

51 provisions, items or applications of this chapter which can be  
52 given effect without the invalid provisions, items or  
53 applications, and to this end the provisions of this chapter are  
54 hereby declared severable.

55       **FURTHER, AMEND the title on line 25 by inserting after the**  
56 **semicolon the following:**

57 TO CODIFY NEW CODE SECTION 75-77-6, MISSISSIPPI CODE OF 1972, TO  
58 ENACT RULES FOR A WARRANTY CLAIM SUBMITTED TO A SUPPLIER BY A  
59 RETAILER; TO AMEND SECTION 75-77-19, MISSISSIPPI CODE OF 1972, IN  
60 CONFORMITY THERETO;