By: Representative Fillingane

To: Judiciary A; Transportation

HOUSE BILL NO. 668

AN ACT TO AMEND SECTION 63-17-159, MISSISSIPPI CODE OF 1972, 1 2 TO REVISE THE METHOD OF DETERMINING MILEAGE FOR A REASONABLE 3 ALLOWANCE UNDER THE MOTOR VEHICLE WARRANTY ENFORCEMENT ACT; AND 4 FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 5 SECTION 1. Section 63-17-159, Mississippi Code of 1972, is 6 7 amended as follows:

8 63-17-159. (1) If the manufacturer or its agent cannot 9 conform the motor vehicle to any applicable express warranty by 10 repairing or correcting any default or condition which impairs the use, market value, or safety of the motor vehicle to the consumer 11 after a reasonable number of attempts, the manufacturer shall give 12 the consumer the option of having the manufacturer either replace 13 the motor vehicle with a comparable motor vehicle acceptable to 14 the consumer, or take title of the vehicle from the consumer and 15 16 refund to the consumer the full purchase price, including all 17 reasonably incurred collateral charges, less a reasonable allowance for the consumer's use of the vehicle. The subtraction 18 19 of a reasonable allowance for use shall apply when either a replacement or refund of the motor vehicle occurs. A reasonable 20 21 allowance for use shall be determined by usual and customary mileage used by dealers in leases not to exceed fifteen thousand 22 23 (15,000) miles per year. Refunds shall be made to the consumer and lienholder of record, if any, as their interests may appear. 24 (2) It shall be an affirmative defense to any claim under 25 26 Section 63-17-151 et seq. that: (a) An alleged nonconformity does not impair the use, 27 market value or safety of the motor vehicle; 28 *HR40/R666* H. B. No. 668

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29 (b) A nonconformity is the result of abuse, neglect or 30 unauthorized modifications or alterations of a motor vehicle by a 31 consumer;

A claim by a consumer was not filed in good faith;

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or

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(C)

34 (d) Any other affirmative defense allowed by law. It shall be presumed that a reasonable number of 35 (3) attempts have been undertaken to conform a motor vehicle to the 36 applicable express warranties if within the terms, conditions or 37 38 limitations of the express warranty, or during the period of one 39 (1) year following the date of original delivery of the motor vehicle to a consumer, whichever expires earlier, either: 40

(a) Substantially the same nonconformity has been
subject to repair three (3) or more times by the manufacturer or
its agent and such nonconformity continues to exist; or

(b) The vehicle is out of service by reason of repair 44 45 of the nonconformity by the manufacturer or its agent for a 46 cumulative total of fifteen (15) or more working days, exclusive 47 of downtime for routine maintenance as prescribed by the owner's 48 manual, since the delivery of the vehicle to the consumer. The 49 fifteen-day period may be extended by any period of time during 50 which repair services are not available to the consumer because of conditions beyond the control of the manufacturer or its agent. 51 The terms, conditions or limitations of the express 52 (4) 53 warranty, or the period of one (1) year following the date of original delivery of the motor vehicle to a consumer, whichever 54 55 expires earlier, may be extended if the motor vehicle warranty problem has been reported but has not been repaired by the 56 57 manufacturer or its agent by the expiration of the applicable time period. 58

59 (5) The manufacturer shall provide a list of the 60 manufacturer's zone or regional service office addresses in the 61 owner's manual provided with the motor vehicle. It shall be the H. B. No. 668 *HR40/R666* 06/HR40/R666 62 responsibility of the consumer or his representative, prior to 63 availing himself of the provisions of this section, to give 64 written notification to the manufacturer of the need for the 65 repair of the nonconformity, in order to allow the manufacturer an 66 opportunity to cure the alleged defect. The manufacturer shall 67 immediately notify the consumer of a reasonably accessible repair 68 facility to conform the vehicle to the express warranty. After delivery of the vehicle to the designated repair facility by the 69 70 consumer, the manufacturer shall have ten (10) working days to 71 conform the motor vehicle to the express warranty. Upon 72 notification from the consumer that the vehicle has not been conformed to the express warranty, the manufacturer shall inform 73 74 the consumer if an informal dispute settlement procedure has been established by the manufacturer in accordance with Section 75 76 63-17-163, and provide the consumer with a copy of the provisions 77 of Section 63-17-151 et seq. However, if prior notice by the 78 manufacturer of an informal dispute settlement procedure has been 79 given, no further notice is required. If the manufacturer fails to notify the consumer of the availability of this informal 80 81 dispute settlement procedure, the requirements of Section 82 63-17-163 shall not apply.

83 (6) Any action brought under Section 63-17-151 et seq. shall be commenced within one (1) year following expiration of the 84 terms, conditions or limitations of the express warranty, or 85 86 within eighteen (18) months following the date of original delivery of the motor vehicle to a consumer, whichever is earlier, 87 88 or, if a consumer resorts to an informal dispute settlement procedure as provided in Section 63-17-151 et seq., within ninety 89 (90) days following the final action of the panel. 90

91 (7) If a consumer finally prevails in any action brought 92 under Section 63-17-151 et seq., the court may allow him to 93 recover as part of the judgment a sum equal to the aggregate 94 amount of costs and expenses, including attorney's fees based on H. B. No. 668 *HR40/R666* 06/HR40/R666

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95 actual time expended, determined by the court to have been

96 reasonably incurred by the plaintiff for or in connection with the 97 commencement and prosecution of such action.

98 SECTION 2. This act shall take effect and be in force from 99 and after July 1, 2006.