

SENATE BILL REPORT

SB 6495

As Reported By Senate Committee On:
Commerce & Labor, February 6, 1998

Title: An act relating to modification of lemon law procedures regarding motor homes without expanding or diminishing the covered defects.

Brief Description: Revising lemon law procedures for motor homes.

Sponsors: Senators Schow, Roach and Heavey.

Brief History:

Committee Activity: Commerce & Labor: 2/5/98, 2/6/98 [DPS].

SENATE COMMITTEE ON COMMERCE & LABOR

Majority Report: That Substitute Senate Bill No. 6495 be substituted therefor, and the substitute bill do pass.

Signed by Senators Schow, Chair; Horn, Vice Chair; Franklin, Fraser, Heavey and Newhouse.

Staff: Genevieve Pisarski (786-7488)

Background: The Motor Vehicle Warranty Act, known as the Lemon Law, establishes rights and responsibilities for consumers and manufacturers of new motor vehicles. The consumer of a new motor vehicle that is defective requests repair from the manufacturer. If repair is not accomplished after a specified number of attempts and period of time, the manufacturer must replace or buy back the motor vehicle. If the motor vehicle is bought back, the consumer is entitled to a refund of the purchase price and various charges and costs, including costs of repair, less a reasonable offset for use. A consumer may also request arbitration. An arbitration board may award the same remedies. In the case of a motor home, the act applies to the self-propelled vehicle and chassis but not to the portions used as dwelling, office, or commercial space.

Summary of Substitute Bill: Definitions for "motor home" and "motor home manufacturer" are added. "Motor home manufacturer" means "first stage manufacturer," "component manufacturer," and "final stage manufacturer," each of which is also defined. A reasonable number of attempts at repair for a motor home is one attempt, for a serious safety defect, or three attempts, for the same nonconformity. The out-of-service period for a motor home is 60 days. After 30 days out of service, an owner must notify the motor home manufacturers. The motor home manufacturers may attempt to coordinate repairs. The period after which the consumer can request arbitration includes the time to complete repair attempts. The motor home manufacturers are responsible for the cost of transporting the motor home to the repair facility in the case of a serious safety defect or a distance of more than 100 miles. A reasonable offset for use of a motor home is calculated using a denominator of 90,000 and may be increased or decreased by one-third by an arbitration

board. An arbitration board may allocate liability among the motor home manufacturers. Motor homes acquired after June 30, 1998 are covered.

Substitute Bill Compared to Original Bill: It is clarified that motor homes acquired after June 30, 1998 are covered. Time to complete repair attempts is added to the period after which arbitration can be requested.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: The proposed provisions for motor homes reflect agreement between industry and regulators. The different offset calculation more accurately reflects typical use of a motor home over ten years, the basis for offset. Time to coordinate the multiple warranties and manufacturers involved is provided. The total number of days out of service will be less than would result from a cumulative effect under present requirements. Consumers will receive better warranty service, a chance to resolve disputes, and arbitration, if necessary.

Testimony Against: None.

Testified: PRO: Stu Halsan, Recreation Vehicle Industry Association; Regina Cullen, AGO; Paul Corning, AGO, Lemon Law.