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HOUSE BILL 2733

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By Representatives Robertson, Poulsen, L. Thomas, Schoesler, Constantine, McCune, Zellinsky, Ballasiotes, Hickel, Delvin, Ogden, Dickerson, Butler, Cooper, Regala, Anderson, Gardner and Lambert

Read first time 01/19/98. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to motor vehicle warranties for living areas of  
2 motor homes and recreational vehicles; and amending RCW 19.118.021.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 19.118.021 and 1995 c 254 s 1 are each amended to read  
5 as follows:

6 Unless the context clearly requires otherwise, the definitions in  
7 this section apply throughout this chapter.

8 (1) "Board" means new motor vehicle arbitration board.

9 (2) "Collateral charges" means any sales or lease related charges  
10 including but not limited to sales tax, use tax, arbitration service  
11 fees, unused license fees, unused registration fees, unused title fees,  
12 finance charges, prepayment penalties, credit disability and credit  
13 life insurance costs not otherwise refundable, any other insurance  
14 costs prorated for time out of service, transportation charges, dealer  
15 preparation charges, or any other charges for service contracts,  
16 undercoating, rustproofing, or factory or dealer installed options.

17 (3) "Condition" means a general problem that results from a defect  
18 or malfunction of one or more parts, or their improper installation by  
19 the manufacturer, its agents, or the new motor vehicle dealer.

1 (4) "Consumer" means any person who has entered into an agreement  
2 or contract for the transfer, lease, or purchase of a new motor  
3 vehicle, other than for purposes of resale or sublease, during the  
4 duration of the warranty period defined under this section.

5 (5) "Court" means the superior court in the county where the  
6 consumer resides, except if the consumer does not reside in this state,  
7 then the superior court in the county where an arbitration hearing or  
8 determination was conducted or made pursuant to this chapter.

9 (6) "Incidental costs" means any reasonable expenses incurred by  
10 the consumer in connection with the repair of the new motor vehicle,  
11 including any towing charges and the costs of obtaining alternative  
12 transportation.

13 (7) "Manufacturer" means any person engaged in the business of  
14 constructing or assembling new motor vehicles or engaged in the  
15 business of importing new motor vehicles into the United States for the  
16 purpose of selling or distributing new motor vehicles to new motor  
17 vehicle dealers. "Manufacturer" does not include any person engaged in  
18 the business of set-up of motorcycles as an agent of a new motor  
19 vehicle dealer if the person does not otherwise construct or assemble  
20 motorcycles.

21 (8) "Motorcycle" means any motorcycle as defined in RCW 46.04.330  
22 which has an engine displacement of at least seven hundred fifty cubic  
23 centimeters.

24 (9) "New motor vehicle" means any new self-propelled vehicle,  
25 including a new motorcycle, primarily designed for the transportation  
26 of persons or property over the public highways that was originally  
27 purchased or leased at retail from a new motor vehicle dealer or  
28 leasing company in this state, and that was initially registered in  
29 this state or for which a temporary motor vehicle license was issued  
30 pursuant to RCW 46.16.460, but does not include vehicles purchased or  
31 leased by a business as part of a fleet of ten or more vehicles at one  
32 time or under a single purchase or lease agreement. If the motor  
33 vehicle is a motor home or recreational vehicle, this chapter (~~shall~~  
34 ~~apply~~) applies to the self-propelled vehicle and chassis and to those  
35 portions of the vehicle designated, used, or maintained primarily as a  
36 mobile dwelling, but does not (~~include~~) apply to those portions of  
37 the vehicle designated, used, or maintained primarily as (~~a mobile~~  
38 ~~dwelling~~) an office(~~)~~ or commercial space. The term "new motor  
39 vehicle" does not include trucks with nineteen thousand pounds or more

1 gross vehicle weight rating. The term "new motor vehicle" includes a  
2 demonstrator or lease-purchase vehicle as long as a manufacturer's  
3 warranty was issued as a condition of sale.

4 (10) "New motor vehicle dealer" means a person who holds a dealer  
5 agreement with a manufacturer for the sale of new motor vehicles, who  
6 is engaged in the business of purchasing, selling, servicing,  
7 exchanging, or dealing in new motor vehicles, and who is licensed or  
8 required to be licensed as a vehicle dealer by the state of Washington.

9 (11) "Nonconformity" means a defect, serious safety defect, or  
10 condition that substantially impairs the use, value, or safety of a new  
11 motor vehicle, but does not include a defect or condition that is the  
12 result of abuse, neglect, or unauthorized modification or alteration of  
13 the new motor vehicle.

14 (12) "Purchase price" means the cash price of the new motor vehicle  
15 appearing in the sales agreement or contract.

16 (a) "Purchase price" in the instance of a lease means the actual  
17 written capitalized cost disclosed to the consumer contained in the  
18 lease agreement. If there is no disclosed capitalized cost in the  
19 lease agreement the "purchase price" is the manufacturer's suggested  
20 retail price including manufacturer installed accessories or items of  
21 optional equipment displayed on the manufacturer label, required by 15  
22 U.S.C. Sec. 1232.

23 (b) "Purchase price" in the instance of both a vehicle purchase or  
24 lease agreement includes any allowance for a trade-in vehicle but does  
25 not include any manufacturer-to-consumer rebate appearing in the  
26 agreement or contract that the consumer received or that was applied to  
27 reduce the purchase or lease cost.

28 Where the consumer is a subsequent transferee and the consumer  
29 selects repurchase of the motor vehicle, "purchase price" means the  
30 consumer's subsequent purchase price. Where the consumer is a  
31 subsequent transferee and the consumer selects replacement of the motor  
32 vehicle, "purchase price" means the original purchase price.

33 (13) "Reasonable offset for use" means the definition provided in  
34 RCW 19.118.041(1)(c) for a new motor vehicle other than a new  
35 motorcycle. The reasonable offset for use for a new motorcycle shall  
36 be computed by the number of miles that the vehicle traveled before the  
37 manufacturer's acceptance of the vehicle upon repurchase or replacement  
38 multiplied by the purchase price, and divided by twenty-five thousand.

1 (14) "Reasonable number of attempts" means the definition provided  
2 in RCW 19.118.041.

3 (15) "Replacement motor vehicle" means a new motor vehicle that is  
4 identical or reasonably equivalent to the motor vehicle to be replaced,  
5 as the motor vehicle to be replaced existed at the time of original  
6 purchase or lease, including any service contract, undercoating,  
7 rustproofing, and factory or dealer installed options.

8 (16) "Serious safety defect" means a life-threatening malfunction  
9 or nonconformity that impedes the consumer's ability to control or  
10 operate the new motor vehicle for ordinary use or reasonable intended  
11 purposes or creates a risk of fire or explosion.

12 (17) "Subsequent transferee" means a consumer who acquires a motor  
13 vehicle, within the warranty period, as defined in this section, with  
14 an applicable manufacturer's written warranty and where the vehicle  
15 otherwise met the definition of a new motor vehicle at the time of  
16 original retail sale or lease.

17 (18) "Substantially impair" means to render the new motor vehicle  
18 unreliable, or unsafe for ordinary use, or to diminish the resale value  
19 of the new motor vehicle below the average resale value for comparable  
20 motor vehicles.

21 (19) "Warranty" means any implied warranty, any written warranty of  
22 the manufacturer, or any affirmation of fact or promise made by the  
23 manufacturer in connection with the sale of a new motor vehicle that  
24 becomes part of the basis of the bargain. The term "warranty" pertains  
25 to the obligations of the manufacturer in relation to materials,  
26 workmanship, and fitness of a new motor vehicle for ordinary use or  
27 reasonably intended purposes throughout the duration of the warranty  
28 period as defined under this section.

29 (20) "Warranty period" means the period ending two years after the  
30 date of the original delivery to the consumer of a new motor vehicle,  
31 or the first twenty-four thousand miles of operation, whichever occurs  
32 first.

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