



SENATE BILL No. 864

October 5, 1993, Introduced by Senator WARTNER and referred to the Committee on Transportation and Tourism.

A bill to amend Act No. 300 of the Public Acts of 1949, entitled as amended "Michigan vehicle code," as amended, being sections 257.1 to 257.923 of the Michigan Compiled Laws, by adding section 233b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 300 of the Public Acts of 1949, as
2 amended, being sections 257.1 to 257.923 of the Michigan Compiled
3 Laws, is amended by adding section 233b to read as follows:

4 SEC. 233B. (1) AS USED IN THIS SECTION:

5 (A) "DISTRIBUTOR" MEANS THAT TERM AS DEFINED IN SECTION 3(1)
6 OF ACT NO. 118 OF THE PUBLIC ACTS OF 1981, BEING SECTION 445.1563
7 OF THE MICHIGAN COMPILED LAWS.

1 (B) "MANUFACTURER" MEANS THAT TERM AS DEFINED IN
2 SECTION 4(2) OF ACT NO. 118 OF THE PUBLIC ACTS OF 1981, BEING
3 SECTION 445.1564 OF THE MICHIGAN COMPILED LAWS.

4 (C) "PROGRAM VEHICLE" MEANS A MOTOR VEHICLE FROM EITHER THE
5 CURRENT MODEL YEAR OR THE IMMEDIATELY PRECEDING MODEL YEAR, THAT
6 WAS REPURCHASED BY A MANUFACTURER OR DISTRIBUTOR FROM A RENTAL
7 CAR COMPANY.

8 (2) EXCEPT AS PROVIDED IN THIS SUBSECTION, A NEW MOTOR VEHI-
9 CLE DEALER SHALL DISCLOSE IN WRITING TO A PURCHASER OF A NEW
10 MOTOR VEHICLE, DEMONSTRATOR, EXECUTIVE OR MANUFACTURER'S VEHICLE,
11 OR PROGRAM VEHICLE BEFORE ENTERING INTO A SALES CONTRACT THAT THE
12 VEHICLE HAS BEEN DAMAGED AND REPAIRED, IF THE DEALER HAS KNOWL-
13 EDGE OF THE DAMAGE AND REPAIRS AND IF THE REPAIRS EXCEED 6% OF
14 THE MANUFACTURER'S SUGGESTED RETAIL PRICE OF THE VEHICLE, AS CAL-
15 CULATED AT THE RATE OF THE DEALER'S AUTHORIZED WARRANTY RATE FOR
16 LABOR AND PARTS.

17 (3) A DEALER IN NEW MOTOR VEHICLES IS NOT REQUIRED TO DIS-
18 CLOSE TO A PURCHASER UNDER THIS ACT THAT ANY GLASS, TIRES,
19 WHEELS, BUMPERS, AUDIO EQUIPMENT, OR IN-DASH COMPONENTS WERE DAM-
20 AGED AT ANY TIME IF THE DAMAGED ITEM HAS BEEN REPLACED WITH ORIG-
21 INAL MANUFACTURER'S OR COMPARABLE EQUIPMENT.

22 (4) REPAIRED DAMAGED TO A MOTOR VEHICLE, SUBJECT TO THIS
23 SECTION, NOT EXCEEDING 6% OF THE MANUFACTURER'S SUGGESTED RETAIL
24 PRICE SHALL NOT CONSTITUTE GROUNDS FOR REVOCATION OF ACCEPTANCE
25 BY THE PURCHASER. THE PURCHASER'S RIGHT OF REVOCATION CEASES
26 UPON HIS OR HER ACCEPTANCE OF DELIVERY OF THE VEHICLE.