H-1211.1				

HOUSE BILL 1702

State of Washington 54th Legislature 1995 Regular Session

By Representatives Horn, Romero, Cole, Carlson, Cody, Cooke, Rust, Poulsen, Veloria, Mitchell, Reams, Jacobsen, Fuhrman and Costa

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- 1 AN ACT Relating to wheelchair warranties; and amending RCW
- 2 19.184.010, 19.184.020, and 19.184.030.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 19.184.010 and 1994 c 104 s 1 are each amended to read 5 as follows:
- Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.
- 8 (1) "Collateral costs" means expenses incurred by a consumer in 9 connection with the repair of a nonconformity, including the costs of 10 obtaining an alternative wheelchair or other device assisting mobility.
- 11 (2) "Consumer" means any of the following:
- 12 (a) The purchaser of a ((motorized)) wheelchair, if the
- 13 ((motorized)) wheelchair was purchased from a ((motorized)) wheelchair
- 14 dealer or manufacturer for purposes other than resale;
- 15 (b) A person to whom a ((motorized)) wheelchair is transferred for
- 16 purposes other than resale, if the transfer occurs before the
- 17 expiration of an express warranty applicable to the ((motorized))
- 18 wheelchair;

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- 1 (c) A person who may enforce a warranty on a ((motorized))
 2 wheelchair; or
- 3 (d) A person who leases a ((motorized)) wheelchair from a 4 ((motorized)) wheelchair lessor under a written lease.
- 5 (3) "Demonstrator" means a ((motorized)) wheelchair used primarily 6 for the purpose of demonstration to the public.
- 7 (4) "Early termination cost" means an expense or obligation that a 8 ((motorized)) wheelchair lessor incurs as a result of both the 9 termination of a written lease before the termination date set forth in 10 the lease and the return of a ((motorized)) wheelchair to a 11 manufacturer under RCW 19.184.030(2)(b). "Early termination cost" 12 includes a penalty for prepayment under a finance arrangement.
- 13 (5) "Early termination savings" means an expense or obligation that a ((motorized)) wheelchair lessor avoids as a result of both the 14 15 termination of a written lease before the termination date set forth in 16 the lease and the return of a ((motorized)) wheelchair to a manufacturer under RCW 19.184.030(2)(b). "Early termination savings" 17 includes an interest charge that the ((motorized)) wheelchair lessor 18 19 would have paid to finance the ((motorized)) wheelchair or, if the ((motorized)) wheelchair lessor does not finance the ((motorized)) 20 wheelchair, the difference between the total amount for which the lease 21 obligates the consumer during the period of the lease term remaining 22 23 after the early termination and the present value of that amount at the 24 date of the early termination.
- (6) "Manufacturer" means a person who manufactures or assembles ((motorized)) wheelchairs and agents of the person, including an importer, a distributor, factory branch, distributor branch, and a warrantor of the manufacturer's ((motorized)) wheelchairs, but does not include a ((motorized)) wheelchair dealer.
- 30 (7) (("Motorized wheelchair" means a motor-driven wheelchair,
 31 including a demonstrator, that a consumer purchases or accepts transfer
 32 of in this state.
- 33 (8) "Motorized wheelchair dealer" means a person who is in the 34 business of selling motorized wheelchairs.
- 35 (9) "Motorized wheelchair lessor" means a person who leases a
 36 motorized wheelchair to a consumer, or who holds the lessor's rights,
 37 under a written lease.
- 38 $\frac{(10)}{(10)}$) "Nonconformity" means a condition or defect that 39 substantially impairs the use, value, or safety of a $(\frac{motorized}{(10)})$

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- 1 wheelchair, and that is covered by an express warranty applicable to
- 2 the ((motorized)) wheelchair or to a component of the ((motorized))
- 3 wheelchair, but does not include a condition or defect that is the
- 4 result of abuse, neglect, or unauthorized modification or alteration of
- 5 the ((motorized)) wheelchair by a consumer.
- 6 $((\frac{11}{1}))$ <u>(8)</u> "Reasonable attempt to repair" means any of the
- 7 following occurring within the term of an express warranty applicable
- 8 to a new ((motorized)) wheelchair or within one year after first
- 9 delivery of a ((motorized)) wheelchair to a consumer, whichever is
- 10 sooner:
- 11 (a) An attempted repair by the manufacturer, ((motorized))
- 12 wheelchair lessor, or the manufacturer's authorized ((motorized))
- 13 dealer is made to the same warranty nonconformity at least four times
- 14 and the nonconformity continues; or
- 15 (b) The ((motorized)) wheelchair is out of service for an aggregate
- 16 of at least thirty days because of warranty nonconformity.
- 17 <u>(9) "Wheelchair" means a wheelchair, including a demonstrator, that</u>
- 18 a consumer purchases or accepts transfer of in this state.
- 19 <u>(10) "Wheelchair dealer" means a person who is in the business of</u>
- 20 selling wheelchairs.
- 21 (11) "Wheelchair lessor" means a person who leases a wheelchair to
- 22 <u>a consumer, or who holds the lessor's rights, under a written lease.</u>
- 23 **Sec. 2.** RCW 19.184.020 and 1994 c 104 s 2 are each amended to read
- 24 as follows:
- 25 A manufacturer who sells a ((motorized)) wheelchair to a consumer,
- 26 either directly or through a ((motorized)) wheelchair dealer, shall
- 27 furnish the consumer with an express warranty for the ((motorized))
- 28 wheelchair. The duration of the express warranty must be for at least
- 29 one year after the first delivery of the ((motorized)) wheelchair to
- 30 the consumer. If the manufacturer fails to furnish an express warranty
- 31 as required under this section, the ((motorized)) wheelchair is covered
- 32 by an implied warranty as if the manufacturer had furnished an express
- 33 warranty to the consumer as required under this section.
- 34 **Sec. 3.** RCW 19.184.030 and 1994 c 104 s 3 are each amended to read
- 35 as follows:
- 36 (1) If a new ((motorized)) wheelchair does not conform to an
- 37 applicable express warranty and the consumer reports the nonconformity

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- 1 to the manufacturer, the ((motorized)) wheelchair lessor, or any of the
- 2 manufacturer's authorized ((motorized)) wheelchair dealers and makes
- 3 the ((motorized)) wheelchair available for repair before one year after
- 4 first delivery of the ((motorized)) wheelchair to the consumer, the
- 5 nonconformity must be repaired.
- 6 (2) If, after a reasonable attempt to repair, the nonconformity is 7 not repaired, the manufacturer shall do one of the following, whichever
- 8 is appropriate:
- 9 (a) At the direction of a consumer described under RCW 10 19.184.010(2)(a), (b), or (c), do one of the following:
- (i) Accept return of the ((motorized)) wheelchair and replace the
- 12 ((motorized)) wheelchair with a comparable new ((motorized)) wheelchair
- 13 and refund any collateral costs; or
- 14 (ii) Accept return of the ((motorized)) wheelchair and refund to
- 15 the consumer and to a holder of a perfected security interest in the
- 16 consumer's ((motorized)) wheelchair, as their interest may appear, the
- 17 full purchase price plus any finance charge, amount paid by the
- 18 consumer at the point of sale, and collateral costs, less a reasonable
- 19 allowance for use. Under this subsection (2)(a)(ii), a reasonable
- 20 allowance for use may not exceed the amount obtained by multiplying the
- 21 full purchase price of the ((motorized)) wheelchair by a fraction, the
- 22 denominator of which is one thousand eight hundred twenty-five and the
- 23 numerator of which is the number of days that the ((motorized))
- 24 wheelchair was driven before the consumer first reported the
- 25 nonconformity to the ((motorized)) wheelchair dealer; or
- 26 (b)(i) For a consumer described in RCW 19.184.010(2)(d), accept
- 27 return of the ((motorized)) wheelchair, refund to the ((motorized))
- 28 wheelchair lessor and to a holder of a perfected security interest in
- 29 the ((motorized)) wheelchair, as their interest may appear, the current
- 30 value of the written lease and refund to the consumer the amount that
- 31 the consumer paid under the written lease plus any collateral costs,
- 32 less a reasonable allowance for use.
- (ii) Under this subsection (2)(b), the current value of the written
- 34 lease equals the total amount for which the lease obligates the
- 35 consumer during the period of the lease remaining after its early
- 36 termination, plus the ((motorized)) wheelchair dealer's early
- 37 termination costs and the value of the ((motorized)) wheelchair at the
- 38 lease expiration date if the lease sets forth the value, less the
- 39 ((motorized)) wheelchair lessor's early termination savings.

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(iii) Under this subsection (2)(b), a reasonable allowance for use may not exceed the amount obtained by multiplying the total amount for which the written lease obligates the consumer by a fraction, the denominator of which is one thousand eight hundred twenty-five and the numerator of which is the number of days that the consumer drove the ((motorized)) wheelchair before first reporting the nonconformity to the manufacturer, ((motorized)) wheelchair lessor, or ((motorized)) wheelchair dealer.

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- 9 (3) To receive a comparable new ((motorized)) wheelchair or a 10 refund due under subsection (2)(a) of this section, a consumer described under RCW 19.184.010(2) (a), (b), or (c) shall offer to the 11 manufacturer of the ((motorized)) wheelchair having the nonconformity 12 to transfer possession of the ((motorized)) wheelchair to the 13 manufacturer. Within thirty days after the offer, the manufacturer 14 15 shall provide the consumer with a comparable new ((motorized)) 16 wheelchair or a refund. When the manufacturer provides a new 17 ((motorized)) wheelchair or refund under this subsection, the consumer shall return to the manufacturer the ((motorized)) wheelchair having 18 19 the nonconformity.
- (4)(a) To receive a refund due under subsection (2)(b) of this section, a consumer described under RCW 19.184.010(2)(d) shall offer to return the ((motorized)) wheelchair having the nonconformity to its manufacturer. Within thirty days after the offer, the manufacturer shall provide the refund to the consumer. When the manufacturer provides the refund, the consumer shall return to the manufacturer the ((motorized)) wheelchair having the nonconformity.
 - (b) To receive a refund due under subsection (2)(b) of this section, a ((motorized)) wheelchair lessor shall offer to transfer possession of the ((motorized)) wheelchair having the nonconformity to the manufacturer. Within thirty days after the offer, the manufacturer shall provide a refund to the ((motorized)) wheelchair lessor. When the manufacturer provides the refund, the ((motorized)) wheelchair lessor shall provide to the manufacturer the endorsements necessary to transfer legal possession to the manufacturer.
- 35 (c) A person may not enforce the lease against the consumer after 36 the consumer receives a refund due under subsection (2)(b) of this 37 section.
- 38 (5) A person may not sell or lease again in this state a 39 ((motorized)) wheelchair returned by a consumer or ((motorized))

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- 1 wheelchair lessor in this state under subsection (2) of this section or
- 2 by a consumer or ((motorized)) wheelchair lessor in another state under
- 3 a similar law of that state, unless full disclosure of the reasons for
- 4 return is made to a prospective buyer or lessee.

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