

**RCW 46.95.050 Warranty obligations.** (1) Each warrantor shall:

(a) Specify in writing to each of its dealers, the dealer's obligations, if any, for preparation, delivery, and warranty service on its products based on the warrantor's stated policies that must be reasonable and customary in the recreational vehicle industry;

(b) Compensate the dealer for warranty service performed by the dealer that is covered by the warrantor's own warranty;

(c) Provide the dealer the schedule of compensation to be paid and the time allowances for the performance of any work and service. The schedule of compensation must include reasonable compensation for diagnostic work as well as warranty labor. If the schedule of compensation required by this section does not include a particular repair, the warrantor will reimburse the dealer for warranty service for the actual time expended unless the warrantor demonstrates that the actual time was not reasonable. In such event, the dealer will be paid a reasonable sum.

(2) Time allowances for the diagnosis and performance of warranty labor must be reasonable for the work to be performed. The compensation of a dealer for warranty labor may not be less than the lowest retail labor rate actually charged by the dealer in the ordinary course of business for like nonwarranty labor as long as such rate is reasonable in the dealer's market.

(3) The warrantor shall reimburse the dealer for any warranty part, accessory, or complete component at actual wholesale cost plus a minimum 30 percent handling charge and the cost, if any, of freight to return such part, component, or accessory to the warrantor. If a part is sent to the dealer at no cost, the dealer is entitled to payment of 30 percent of the wholesale cost of the part from the warrantor as a handling charge. The maximum handling charge for a product sent to the dealer at no cost shall not exceed \$300. The warrantor will also reimburse the dealer the cost of freight to return a warranty part, accessory, or complete component to the warrantor.

(4) Warranty audits of dealer records may be conducted by the warrantor on a reasonable basis, and dealer claims for warranty compensation may not be denied except for cause, such as performance of nonwarranty repairs, material noncompliance with the warrantor's published policies and procedures, lack of material documentation, fraud, or misrepresentation.

(5) The dealer shall submit warranty claims within 45 days after completing the work.

(6) The dealer shall notify the warrantor as soon as is reasonably possible, verbally or in writing, if the dealer is unable or unwilling to perform material or repetitive warranty repairs.

(7) The warrantor shall disapprove warranty claims in writing within 45 days after the date of submission by the dealer in the manner and form prescribed by the warrantor. Claims not specifically disapproved in writing within 45 days shall be construed to be approved and must be paid within 60 days.

(8) It is a violation of this chapter for any warrantor to:

(a) Fail to perform any of its warranty obligations with respect to its warranted products;

(b) Fail to include, in written notices of factory campaigns to recreational vehicle owners and dealers, the expected date by which necessary parts and equipment, including tires and chassis or chassis parts, will be available to dealers to perform the campaign work. The warrantor may ship parts to the dealer to affect the campaign work, and, if such parts are in excess of the dealer's requirements, the

dealer may return unused parts to the warrantor for credit after completion of the campaign;

(c) Fail to compensate any of its dealers for authorized repairs effected by the dealer of merchandise damaged in manufacture or transit to the dealer, if the carrier is designated by the warrantor, factory branch, distributor, or distributor branch;

(d) Fail to compensate any of its dealers for authorized warranty service in accordance with the time allowances set forth in the schedule of compensation if performed in a timely and competent manner;

(e) Intentionally misrepresent in any way to purchasers of recreational vehicles that warranties with respect to the manufacture, performance, or design of the vehicle are made by the dealer as warrantor or cowarrantor; or

(f) Require the dealer to make warranties to customers in any manner related to the manufacture of the recreational vehicle.

(9) It is a violation of this chapter for any dealer to:

(a) Fail to perform predelivery inspection functions, as specified by the warrantor, in a competent and timely manner;

(b) Fail to perform warranty service work authorized by the warrantor in a reasonably competent and timely manner on any transient customer's vehicle of the same line-make unless the dealer determines that the customer is acting in a manner detrimental to its business;

(c) Fail to track actual time expended to perform warranty work not governed by time allowances in the schedule of compensation;

(d) Claim an agency relationship with [the] warrantor or manufacturer; or

(e) Misrepresent the terms of any warranty.

(10) Notwithstanding the terms of any manufacturer/dealer agreement, it is a violation of this chapter for:

(a) A warrantor to fail to indemnify, defend, and hold harmless its dealer against any losses or damages to the extent such losses or damages are caused by the negligence or willful misconduct of the warrantor. The dealer may not be denied indemnification or a defense for failing to discover, disclose, or remedy a defect in the design or manufacturing of the recreational vehicle. The dealer shall provide to the warrantor a copy of any suit in which allegations are made that come within this subsection within 10 days after receiving such suit. This subsection shall continue to apply even after the recreational vehicle is titled. Indemnification must include court costs, reasonable attorneys' fees, and expert witness fees incurred by the dealer.

(b) A dealer to fail to indemnify, defend, and hold harmless its warrantor against any losses or damages to the extent such losses or damages are caused by the negligence or willful misconduct of the dealer. The warrantor shall provide to the dealer a copy of any suit in which allegations are made that come within this subsection within 10 days after receiving such suit. This subsection shall continue to apply even after the recreational vehicle is titled. Indemnification must include court costs, reasonable attorneys' fees, and expert witness fees incurred by the warrantor. [2024 c 87 s 5.]