

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 1279

Short Title: Post-Manufacture Damage Disclosure.

(Public)

Sponsors: Representatives Nesbitt; Albertson, Anderson, Beall, Brawley, Cooper, N. Crawford, Fletcher, Greenwood, Hardaway, Hasty, R. Hunter, Mills, Robinson, Rogers, and Warner.

Referred to: Commerce.

April 12, 1989

A BILL TO BE ENTITLED

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2 AN ACT TO AMEND G.S. 20-305.1 BY ADDING NEW PROVISIONS TO
3 REQUIRE MOTOR VEHICLE MANUFACTURERS TO DISCLOSE POST-
4 MANUFACTURING DAMAGES AND REPAIRS TO DEALERS AND TO
5 REQUIRE DEALERS TO DISCLOSE TO PURCHASERS IN WRITING ANY
6 NEW CAR DAMAGES WHICH EXCEED FIVE PERCENT OF
7 "MANUFACTURER'S SUGGESTED RETAIL PRICE."

8 The General Assembly of North Carolina enacts:

9 Section 1. G.S. 20-305.1(d) is amended by inserting a new subdivision to
10 read:

11 "(5a) No manufacturer shall fail to disclose in writing to a new motor vehicle
12 dealer, at the time of delivery of a new motor vehicle, the nature and extent of any and
13 all damage and post-manufacturing repairs made to such motor vehicle while in the
14 possession or under the control of the manufacturer."

15 Sec. 2. G.S. 20-305.1 is further amended by adding a new subsection to read:

16 "(e) Damage/Repair Disclosure. Notwithstanding the provisions of subdivision
17 (d)(4) of this section and in supplementation thereof, a new motor vehicle dealer shall
18 disclose in writing to a purchaser of the new motor vehicle prior to entering into a sales
19 contract any damage and repair to the new motor vehicle if the damage exceeds five
20 percent (5%) of the manufacturer's suggested retail price as calculated at the rate of the
21 dealer's authorized warranty rate for labor and parts.

- 1 (1) A new motor vehicle dealer is not required to disclose to a purchaser
2 that any glass, tires or bumper of a new motor vehicle was damaged at
3 any time if the damaged item has been replaced with original or
4 comparable equipment.
- 5 (2) If disclosure is not required under this section, a purchaser may not
6 revoke or rescind a sales contract due solely to the fact that the new
7 motor vehicle was damaged and repaired prior to completion of the
8 sale.
- 9 (3) For purposes of this section, 'manufacturer's suggested retail price'
10 means the retail price of the new motor vehicle suggested by the
11 manufacturer including the retail delivered price suggested by the
12 manufacturer for each accessory or item of optional equipment
13 physically attached to the new motor vehicle at the time of delivery to
14 the new motor vehicle dealer which is not included within the retail
15 price suggested by the manufacturer for the new motor vehicle."

16 Sec. 3. This act shall become effective October 1, 1989.