

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

3

**HOUSE BILL 1295**  
**Committee Substitute Favorable 5/31/05**  
**Senate Judiciary I Committee Substitute Adopted 8/11/05**

Short Title: New Motor Vehicles Warranties.

(Public)

Sponsors:

Referred to:

April 19, 2005

A BILL TO BE ENTITLED

1  
2 AN ACT TO CLARIFY THE MAXIMUM WEIGHT OF A MOTOR VEHICLE THAT  
3 IS SUBJECT TO THE NEW MOTOR VEHICLES WARRANTIES ACT AND TO  
4 PROMOTE THE EXPEDITIOUS SETTLEMENT OF CLAIMS WHEN THE  
5 CONSUMER REQUESTS THE MANUFACTURER TO REPURCHASE THE  
6 MOTOR VEHICLE.

7 The General Assembly of North Carolina enacts:

8 **SECTION 1.** G.S. 20-351.1(3) reads as rewritten:

9 "(3) 'Motor vehicle' includes a motor vehicle as defined in G.S. 20-4.01  
10 ~~which that~~ is sold or leased in this State, but does not include 'house  
11 trailer' as defined in G.S. 20-4.01 or any motor vehicle ~~with a gross~~  
12 ~~vehicle weight of~~ that weighs more than 10,000 pounds or  
13 more pounds."

14 **SECTION 2.** G.S. 20-351.3(c) reads as rewritten:

15 "(c) Refunds shall be made to the consumer, ~~lessor-lessor~~, and any lienholders as  
16 their interests may appear. The refund to the consumer shall be reduced by a reasonable  
17 allowance for the consumer's use of the vehicle. A reasonable allowance for use ~~is that~~  
18 ~~amount directly attributable to use by the consumer prior to his first report of the~~  
19 ~~nonconformity to the manufacturer, its agent, or its authorized dealer, and during any~~  
20 ~~subsequent period when the vehicle is not out of service because of repair.~~ 'Reasonable  
21 allowance' is presumed to be the cash price or the lease price, as the case may be, of the  
22 ~~vehicle multiplied by a fraction having as its denominator 100,000 miles and its~~  
23 ~~numerator the number of miles attributed to the consumer.~~ is calculated from the number  
24 of miles used by the consumer up to the date of the third attempt to repair the same  
25 nonconformity which is the subject of the claim, or the twentieth cumulative business  
26 day when the vehicle is out of service by reason of repair of one or more  
27 nonconformities, whichever occurs first. The number of miles used by the consumer is

1 multiplied by the purchase price of the vehicle or the lessor's actual lease price, and  
2 divided by 120,000."

3           **SECTION 3.** This act becomes effective October 1, 2005, and applies to  
4 contracts entered into on or after that date.