AN ACT Relating to new product warranties; amending RCW 19.118.021
and 19.118.031; adding a new section to chapter 62A.2 RCW; and
providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF WASHINGTON:

NEW SECTION. Sec. 1. A new section is added to chapter 62A.2 RCW
to read as follows:

(1) Except as provided under subsection (2) of this section, all
new products sold in the state of Washington must have a five-year
manufacturer's express warranty on material failures and general
operation of the product. The manufacturer shall either refund the
cost of the product to the consumer or repair or replace the product at
no cost to the consumer. The five-year warranty must include costs for
parts, labor, shipping and handling, and any other related costs. The
consumer must possess original documentation of the sale of the product
to enforce the five-year warranty.

(2) Shoes sold in the state of Washington must have a one-year
manufacturer's express warranty on material failures and shape defects.
The manufacturer shall either refund the cost of the shoe or shoes to
the consumer or repair or replace the shoe or shoes at no cost to the
consumer. The one-year warranty must include costs for parts, labor, shipping and handling, and any other related costs. The consumer must possess original documentation of the sale of the shoe or shoes to enforce the one-year warranty.

(3) Task-specific, strictly disposable products, such as nonrechargeable batteries, water balloons, or paper or plastic utensils, are not covered by the warranties described under this section.

Sec. 2. RCW 19.118.021 and 2007 c 425 s 1 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Board" means new motor vehicle arbitration board.

(2) "Collateral charges" means any sales or lease related charges including but not limited to sales tax, use tax, arbitration service fees, unused license fees, unused registration fees, unused title fees, finance charges, prepayment penalties, credit disability and credit life insurance costs not otherwise refundable, any other insurance costs prorated for time out of service, transportation charges, dealer preparation charges, or any other charges for service contracts, undercoating, rustproofing, or factory or dealer installed options.

(3) "Condition" means a general problem that results from a defect or malfunction of one or more parts, or their improper installation by the manufacturer, its agents, or the new motor vehicle dealer.

(4) "Consumer" means any person who has entered into an agreement or contract for the transfer, lease, or purchase of a new motor vehicle, other than for purposes of resale or sublease, during the duration of the warranty period defined under this section.

(5) "Court" means the superior court in the county where the consumer resides, except if the consumer does not reside in this state, then the superior court in the county where an arbitration hearing or determination was conducted or made pursuant to this chapter.

(6) "Incidental costs" means any reasonable expenses incurred by the consumer in connection with the repair of the new motor vehicle, including any towing charges and the costs of obtaining alternative transportation.
(7) "Manufacturer" means any person engaged in the business of constructing or assembling new motor vehicles or engaged in the business of importing new motor vehicles into the United States for the purpose of selling or distributing new motor vehicles to new motor vehicle dealers. "Manufacturer" does not include any person engaged in the business of set-up of motorcycles as an agent of a new motor vehicle dealer if the person does not otherwise construct or assemble motorcycles.

(8) "Motorcycle" means any motorcycle as defined in RCW 46.04.330 which has an engine displacement of at least seven hundred fifty cubic centimeters.

(9) "Motor home" means a vehicular unit designed to provide temporary living quarters for recreational, camping, or travel use, built on or permanently attached to a self-propelled motor vehicle chassis or on a chassis cab or van that is an integral part of the completed vehicle.

(10) "Motor home manufacturer" means the first stage manufacturer, the component manufacturer, and the final stage manufacturer.

(a) "First stage manufacturer" means a person who manufactures incomplete new motor vehicles such as chassis, chassis cabs, or vans, that are directly warranted by the first stage manufacturer to the consumer, and are completed by a final stage manufacturer into a motor home.

(b) "Component manufacturer" means a person who manufactures components used in the manufacture or assembly of a chassis, chassis cab, or van that is completed into a motor home and whose components are directly warranted by the component manufacturer to the consumer.

(c) "Final stage manufacturer" means a person who assembles, installs, or permanently affixes a body, cab, or equipment to an incomplete new motor vehicle such as a chassis, chassis cab, or van provided by a first stage manufacturer, to complete the vehicle into a motor home.

(11) "New motor vehicle" means any new self-propelled vehicle, including a new motorcycle, primarily designed for the transportation of persons or property over the public highways that was originally purchased or leased at retail from a new motor vehicle dealer or leasing company in this state, but does not include vehicles purchased or leased by a business as part of a fleet of ten or more vehicles at
one time or under a single purchase or lease agreement. If the motor
vehicle is a motor home, this chapter shall apply to the self-propelled
vehicle and chassis, but does not include those portions of the vehicle
designated, used, or maintained primarily as a mobile dwelling, office,
or commercial space. ((The term)) "New motor vehicle" does not include
trucks with nineteen thousand pounds or more gross vehicle weight
rating. ((The term)) "New motor vehicle" includes a demonstrator or
lease-purchase vehicle as long as a manufacturer's warranty was issued
as a condition of sale. "New motor vehicle" also includes all parts
installed in or with the new motor vehicle.

(12) "New motor vehicle dealer" means a person who holds a dealer
agreement with a manufacturer for the sale of new motor vehicles, who
is engaged in the business of purchasing, selling, servicing,
exchanging, or dealing in new motor vehicles, and who is licensed or
required to be licensed as a vehicle dealer by the state of Washington.

(13) "Nonconformity" means a defect, serious safety defect, or
condition that substantially impairs the use, value, or safety of a new
motor vehicle, but does not include a defect or condition that is the
result of abuse, neglect, or unauthorized modification or alteration of
the new motor vehicle.

(14) "Purchase price" means the cash price of the new motor vehicle
appearing in the sales agreement or contract.

(a) "Purchase price" in the instance of a lease means the actual
written capitalized cost disclosed to the consumer contained in the
lease agreement. If there is no disclosed capitalized cost in the
lease agreement the "purchase price" is the manufacturer's suggested
retail price including manufacturer installed accessories or items of
optional equipment displayed on the manufacturer label, required by 15
U.S.C. Sec. 1232.

(b) "Purchase price" in the instance of both a vehicle purchase or
lease agreement includes any allowance for a trade-in vehicle but does
not include any manufacturer-to-consumer rebate appearing in the
agreement or contract that the consumer received or that was applied to
reduce the purchase or lease cost.

Where the consumer is a subsequent transferee and the consumer
selects repurchase of the motor vehicle, "purchase price" means the
consumer's subsequent purchase price. Where the consumer is a
subsequent transferee and the consumer selects replacement of the motor
t vehicle, "purchase price" means the original purchase price.

(15) "Reasonable offset for use" means the definition provided in
RCW 19.118.041(1)(c) for a new motor vehicle other than a new
motorcycle. The reasonable offset for use for a new motorcycle shall
be computed by the number of miles that the vehicle traveled before the
manufacturer's acceptance of the vehicle upon repurchase or replacement
multiplied by the purchase price, and divided by twenty-five thousand.

(16) "Reasonable number of attempts" means the definition provided
in RCW 19.118.041.

(17) "Replacement motor vehicle" means a new motor vehicle that is
identical or reasonably equivalent to the motor vehicle to be replaced,
as the motor vehicle to be replaced existed at the time of original
purchase or lease, including any service contract, undercoating,
rustproofing, and factory or dealer installed options.

(18) "Serious safety defect" means a life-threatening malfunction
or nonconformity that impedes the consumer's ability to control or
operate the new motor vehicle for ordinary use or reasonable intended
purposes or creates a risk of fire or explosion.

(19) "Subsequent transferee" means a consumer who acquires a motor
vehicle, within the warranty period, as defined in this section, with
an applicable manufacturer's written warranty and where the vehicle
otherwise met the definition of a new motor vehicle at the time of
original retail sale or lease.

(20) "Substantially impair" means to render the new motor vehicle
unreliable, or unsafe for ordinary use, or to diminish the resale value
of the new motor vehicle below the average resale value for comparable
motor vehicles.

(21) "Warranty" means any implied warranty, any written warranty of
the manufacturer, or any affirmation of fact or promise made by the
manufacturer in connection with the sale of a new motor vehicle that
becomes part of the basis of the bargain. (The term) "Warranty"
pertains to the obligations of the manufacturer in relation to
materials, workmanship, and fitness of a new motor vehicle for ordinary
use or reasonably intended purposes throughout the duration of the
warranty period as defined under this section.

(22) "Warranty period" means the period ending ((two)) five years
after the date of the original delivery to the consumer of a new motor vehicle, or the first (twenty-four) fifty thousand miles of operation, whichever occurs first.

Sec. 3. RCW 19.118.031 and 1998 c 298 s 3 are each amended to read as follows:

(1) The manufacturer shall publish an owner's manual and provide it to the new motor vehicle dealer or leasing company. The owner's manual shall include a list of the addresses and phone numbers for the manufacturer's customer assistance division, or zone or regional offices. A manufacturer shall provide to the new motor vehicle dealer or leasing company all applicable manufacturer's written warranties. The dealer or leasing company shall transfer to the consumer, at the time of original retail sale or lease, the owner's manual and applicable written warranties as provided by a manufacturer.

(2) At the time of purchase, the new motor vehicle dealer shall provide the consumer with a written statement that explains the consumer's rights under this chapter. The written statement shall be prepared and supplied by the attorney general and shall contain a toll-free number that the consumer can contact for information regarding the procedures and remedies under this chapter.

(3) For the purposes of this chapter, if a new motor vehicle does not conform to the warranty and the consumer reports the nonconformity during the term of the warranty period (or the period of coverage of the applicable manufacturer's written warranty, whichever is less) to the manufacturer, its agent, or the new motor vehicle dealer who sold the new motor vehicle, the manufacturer, its agent, or the new motor vehicle dealer shall make repairs as are necessary to conform the vehicle to the warranty, regardless of whether such repairs are made after the expiration of the warranty period. Any corrections or attempted repairs undertaken by a new motor vehicle dealer under this chapter shall be treated as warranty work and billed by the dealer to the manufacturer in the same manner as other work under the manufacturer's written warranty is billed. ((For purposes of this subsection, the manufacturer's written warranty shall be at least one year after the date of the original delivery to the consumer of the vehicle or the first twelve thousand miles of operation, whichever occurs first.))
(4) Upon request from the consumer, the manufacturer or new motor vehicle dealer shall provide a copy of any report or computer reading compiled by the manufacturer's field or zone representative regarding inspection, diagnosis, or test-drive of the consumer's new motor vehicle, or shall provide a copy of any technical service bulletin issued by the manufacturer regarding the year and model of the consumer's new motor vehicle as it pertains to any material, feature, component, or the performance thereof.

(5) The new motor vehicle dealer shall provide to the consumer each time the consumer's vehicle is returned from being diagnosed or repaired under the warranty, a fully itemized, legible statement or repair order indicating any diagnosis made, and all work performed on the vehicle including but not limited to, a general description of the problem reported by the consumer or an identification of the defect or condition, parts and labor, the date and the odometer reading when the vehicle was submitted for repair, and the date when the vehicle was made available to the consumer.

(6) No manufacturer, its agent, or the new motor vehicle dealer may refuse to diagnose or repair any nonconformity covered by the warranty for the purpose of avoiding liability under this chapter.

(7) For purposes of this chapter, consumers shall have the rights and remedies, including a cause of action, against manufacturers as provided in this chapter.

(8) The warranty period and thirty-day out-of-service period, and sixty-day out-of-service period in the case of a motor home, shall be extended by any time that repair services are not available to the consumer as a direct result of a strike, war, invasion, fire, flood, or other natural disaster.

NEW SECTION. Sec. 4. This act takes effect January 1, 2010.