

State of Misconsin 1995 - 1996 LEGISLATURE

## **1995 ASSEMBLY BILL 826**

- January 29, 1996 Introduced by Representatives OURADA, OTTE, AINSWORTH, WILDER, SKINDRUD, OTT, SPRINGER, GOETSCH, HASENOHRL, OWENS, BRANDEMUEHL, OLSEN, SERATTI, HUEBSCH, FREESE, HUTCHISON, GUNDERSON, F. LASEE, LEHMAN, BOYLE, GARD, LADWIG, MUSSER, DOBYNS and BRANCEL, cosponsored by Senators RUDE, BRESKE, FITZGERALD, MOEN, DARLING and CHVALA. Referred to Committee on Consumer Affairs.
- 1 AN ACT to amend 218.015 (1) (c) and 218.015 (1) (d); to repeal and recreate
- 2 218.015 (1) (e); and *to create* 218.015 (1) (eg) of the statutes; **relating to:** ex-
- 3 tending the coverage of the motor vehicle warranty law to the purchase or lease
- 4 of new farm equipment.

## Analysis by the Legislative Reference Bureau

Currently the law governing repair, replacement and refund under a motor vehicle warranty, commonly called the "lemon law", provides remedies to a person who purchases or leases a new motor vehicle. Among other things, the "lemon law" requires a motor vehicle dealer to repair a substantial nonconformity with an express warranty applicable to a new motor vehicle sold or leased to a consumer. In general, if the nonconformity cannot be repaired and the consumer reports the nonconformity to the manufacturer, the motor vehicle lessor or any of the manufacturer's authorized motor vehicle dealers within one year after the first delivery of the motor vehicle to the consumer or before the expiration of the express warranty, then the consumer may require the manufacturer to do one of the following: accept return of the motor vehicle and refund any collateral costs; accept return of the motor vehicle and refund to the consumer the full purchase price of the motor vehicle plus any sales tax, finance charge, amount paid by the consumer at the point of sale and collateral costs, less a reasonable amount for use.

This bill extends the coverage of the motor vehicle warranty law to the purchase or lease of new farm equipment.

## The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

**SECTION 1.** 218.015 (1) (c) of the statutes is amended to read:

1	218.015 (1) (c) "Manufacturer" means a manufacturer as defined in s. 218.01
2	(1) (L) any person, resident or nonresident who manufactures or assembles motor ve-
3	hicles or who manufactures or installs on previously assembled truck chassis, special
4	bodies or equipment which when installed form an integral part of the motor vehicle
5	and which constitutes a major manufacturing alteration and which completed unit
6	is owned by such manufacturer and agents of the manufacturer, including an import-
7	er, a distributor, factory branch, distributor branch and any warrantors of the
8	manufacturer's motor vehicles, but not including a motor vehicle dealer.
9	<b>SECTION 2.</b> 218.015 (1) (d) of the statutes is amended to read:
10	218.015 (1) (d) "Motor vehicle" means any motor driven vehicle required to be
11	registered under ch. 341 or exempt from registration under s. 341.05 (2), including
12	a demonstrator or executive vehicle not titled or titled by a manufacturer or a motor
13	vehicle dealer <u>and any farm equipment, as defined in s. 895.495 (1) (a)</u> , which a con-
14	sumer purchases or accepts transfer of in this state. "Motor vehicle" does not mean
15	a moped, semitrailer or trailer designed for use in combination with a truck or truck
16	tractor.
17	<b>SECTION 3.</b> 218.015 (1) (e) of the statutes is repealed and recreated to read:
18	218.015 (1) (e) "Motor vehicle dealer" means any person, firm or corporation,
19	not excluded by par. (eg) who does any of the following:
20	1. For commission, money or other thing of value, sells, exchanges, buys, rents
21	with the option of purchase, offers or attempts to negotiate a sale or exchange of an
22	interest in motor vehicles.
23	2. Is engaged wholly or in part in the business of selling motor vehicles, includ-
24	ing motorcycles, whether or not such motor vehicles are owned by such person, firm

25 or corporation.

1	SECTION 4. 218.015 (1) (eg) of the statutes is created to read:
<b>2</b>	218.015 (1) (eg) The term "motor vehicle dealer" does not include any of the fol-
3	lowing:
4	1. Receivers, trustees, administrators, executors, guardians or other persons
5	appointed by or acting under the judgment or order of any court.
6	2. Public officers while performing their official duties.
7	3. Employes of persons, corporations or associations enumerated in subds. 1.
8	and 2., when engaged in the specific performance of their duties as such employes.
9	4. Sales finance companies or other loan agencies who sell or offer for sale motor
10	vehicles repossessed or foreclosed by them under terms of an instalment contract, or
11	motor vehicles taken in trade on such repossessions.
12	SECTION 5. Initial applicability.
13	(1) This act first applies to new motor vehicles, as defined in section 218.015
14	(1) (d) of the statutes, as affected by this act, sold or leased on the effective date of
15	this subsection.
16	(END)