WEST VIRGINIA LEGISLATURE

SECOND REGULAR SESSION, 1998

OFFICE APR -8 PM 3:

ENROLLED

Com. Sub. for House Bill No. 4429

(By Delegates Miller, Compton, Underwood, Leach, Douglas, Capitô and Thompson)

Passed March 14, 1998

In Effect Ninety Days from Passage





ENROLLED

COMMITTEE SUBSTITUTE

FOR

H. B. 4429

(By Delegates Miller, Compton, Underwood, Leach, Douglas, Capito and Thompson)

[Passed March 14, 1998; in effect ninety days from passage.]

AN ACT to amend chapter forty-six-a of the code of West Virginia, one thousand nine hundred thirty-one, as amended, by adding thereto a new article, designated article six-e, relating to providing consumer protection regarding assistive devices; definitions; warranty requirements and remedies; lease enforcement; required disclosures; arbitration; and actions for damages.

Be it enacted by the Legislature of West Virginia:

That chapter forty-six-a of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended by adding thereto a new article, designated article six-e, to read as follows:

ARTICLE 6E. CONSUMER PROTECTION-ASSISTIVE DEVICES. §46A-6E-1. Definitions.

- 1 (a) "Assistive device" means any device enabling a
- 2 person with a disability to communicate, see, hear or
- 3 maneuver, which a consumer purchases or accepts transfer
- 4 of in this state. This definition includes a demonstrator.

- 5 Examples of assistive devices include, but are not limited
- 6 to, manual and motorized wheelchairs, motorized scooters,
- hearing aids, telephone communication devices for the
- 8 deaf (TTY), assistive listening devices, voice synthesized
- 9 computer modules, optical scanners, talking software and
- 10 braille printers.

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- 11 (b) "Assistive device dealer" means a person who is in 12 the business of selling assistive devices.
- 13 (c) "Assistive device lessor" means a person who leases an assistive device to a consumer, or who holds the lessor's 14 15 rights, under a written lease.
- 16 (d) "Collateral costs" means expenses incurred by a 17 consumer in connection with the repair of a 18 nonconformity, including the costs of obtaining an 19 alternative assistive device.
- 20 (e) "Consumer" means any of the following:
- 21 (1) The purchaser of an assistive device, if the assistive 22 device was purchased from an assistive device dealer or 23 manufacturer for purposes other than resale;
- 24 (2) A person to whom the assistive device is 25 transferred for purposes other than resale, if the transfer 26 occurs before the expiration of an express warranty applicable to the assistive device; 2.7
- 2.8 (3) A person who may enforce the warranty; and
- 29 (4) A person who leases an assistive device from an 30 assistive device lessor under a written lease.
- 31 (f) "Current value of the written lease" means the total 32
- amount for which that lease obligates the consumer during 33 the period of the lease remaining after its early
- 34 termination, plus the assistive device dealer's early

termination costs and the value of the assistive device at

- the lease expiration date if the lease sets forth that value,
- less the assistive device lessor's early termination savings. 37
- 38 (g) "Demonstrator" means an assistive device used 39 primarily for the purpose of demonstration to the public.

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- 40 (h) "Early termination cost" means any expense or 41 obligation that an assistive device lessor incurs as a result 42. of both the termination of a written lease before the 43 termination date set forth in that lease and the return of an 44 assistive device to a manufacturer pursuant to this section. 45 Early termination cost includes a penalty for prepayment 46 under finance arrangement.
 - (i) "Early termination saving" means any expense or obligation that an assistive device lessor avoids as a result of both the termination of a written lease before that termination date set forth in that lease and the return of an assistive device to a manufacturer pursuant to this section. Early termination saving includes an interest charge that the assistive device lessor would have paid to finance the assistive device or, if the assistive device lessor does not finance the assistive device, the difference between the total amount for which the lease obligates the consumer during the period of the lease term remaining after the early termination and the present value of that amount at the date of the early termination.
- 60 (j) "Manufacturer" means a person who manufactures or assembles assistive devices and agents of that person. 62 including an importer, a distributor, factory branch, 63 distributor branch and any warrantor of 64 manufacturer's assistive device, but does not include an 65 assistive device dealer.
 - (k) "Nonconformity" means a condition or defect that substantially impairs the use, value or safety of an assistive device and is covered by a warranty applicable to the assistive device or to a component of the assistive device.
- 70 (l) "Reasonable allowance for use" means an amount 71 obtained by multiplying the total amount for which the 72 lease obligates the consumer by a fraction, the 73 denominator of which is one thousand eight hundred 74 twenty-five and the numerator of which is the number of 75 days that the consumer used the assistive device before 76 first reporting the nonconformity to the manufacturer, 77 assistive device lessor or assistive device dealer.

- 78 (m) "Reasonable attempt to repair" means within the terms of a warranty applicable to a new assistive device:
- 80 (1) A nonconformity within the manufacturer's
- 81 warranty continues after three attempts at repair by the
- 82 manufacturer, assistive device lessor, or any of the
- 83 manufacturer's authorized assistive device dealers; or
- 84 (2) The assistive device is out of service for thirty 85 cumulative days because of warranty nonconformity.

§46A-6E-2. Express warranty requirement; express warranty duration; implied warranty.

- 1 (a) A manufacturer who sells an assistive device to a
- 2 consumer, either directly or through an assistive device
- 3 dealer, shall furnish the consumer with an express
- 4 warranty for the assistive device. The duration of the
- 5 express warranty shall be not less than one year after first
- 6 delivery of the assistive device to the consumer. In the
- 7 absence of an express warranty from the manufacturer, the
- 8 manufacturer shall be deemed to have expressly warranted
- 9 to the consumer of an assistive device that, for a period of
- 10 one year from the date of first delivery to the consumer,
- 11 the assistive device will be free from any condition or
- 12 defect which substantially impairs the value of the assistive
- 13 device to the consumer.
- 14 (b) Notwithstanding any other provision of law to the
- 15 contrary with respect to assistive devices subject to the
- 16 provisions of this article, no manufacturer, assistive device
- 17 dealer or assistive device lessor shall:
- 18 (1) Exclude, modify or otherwise attempt to limit any
- 19 warranty, express or implied, including the warranties of
- 20 merchantability and fitness for a particular purpose; or
- 21 (2) Exclude, modify or attempt to limit any remedy
- 22 provided by law, including the measure of damages
- available, for a breach of warranty, express or implied.
- 24 Any such exclusion, modification or attempted
- 25 limitation shall be void.

§46A-6E-3. Warranty remedies; procedures for obtaining remedies.

- (a) Repair. If a new assistive device does not 1 2 conform to an express or implied warranty and the consumer reports the nonconformity to the manufacturer, 4 the assistive device lessor, or a manufacturer's authorized 5 assistive device dealer and makes the assistive device 6 available for repair on or before one year after return 7 delivery of the assistive device to a consumer, the 8 nonconformity shall be repaired at no charge to the 9 consumer.
- 10 (b) Return, refund, reimbursement, replacement. — 11 After a reasonable attempt to repair, if the nonconformity 12 in an assistive device is not repaired, the consumer may 13 request remedies within this section by offering to transfer 14 possession of the assistive device to the manufacturer. No 15 later than thirty days after the consumer's offer, the 16 manufacturer shall provide to the consumer as many of 17 the following remedies as are applicable and elected by 18 the consumer, whereupon the consumer shall return to the manufacturer the assistive device and any endorsements 19 20 necessary to transfer its possession to the manufacturer:
 - (1) Accept return of the assistive device;
- 22 (2) Replace the assistive device with a comparable new assistive device:
- 24 (3) Refund collateral costs to the consumer;
- 25 (4) Refund to the consumer and to any holder of a 26 perfected security interest in the assistive device the full 27 purchase price, plus any finance charge paid by the 28 consumer, plus collateral costs, less a reasonable allowance 29 for use; or
- 30 (5) Refund to the lessor and to any holder of a 31 perfected security interest in the assistive device the 32 current value of the written lease, and refund to the 33 consumer the amount paid by the consumer pursuant to 34 the written lease, plus collateral costs, less a reasonable 35 allowance for use.

§46A-6E-4. Lease enforcement.

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- 1 No person may enforce the lease of an assistive device
- 2. against the consumer after the consumer receives a refund
- pursuant to section three of this article.

§46A-6E-5. Disclosure upon further sale or lease.

- No assistive device returned by a consumer or assistive 1
- 2 device lessor in this state, or by a consumer or assistive
- device lessor in another state under a similar law of that
- state, may be sold or leased again in this state unless full
- 5 disclosure of the reasons for return is made to any
- prospective buyer or lessee.

§46A-6E-6. Arbitration.

- 1 (a) Each consumer shall have the option of submitting
- 2 any dispute arising under this section upon the payment
- 3 of a prescribed filing fee to an alternate arbitration
- mechanism established by the attorney general. Upon
- application of the consumer and payment of the filing fee,
- all manufacturers shall submit to such alternate arbitration.
- 7 (b) Such alternate arbitration shall be conducted by a
- 8 professional arbitrator or arbitration firm appointed by the 9
- attorney general. The arbitration process shall ensure that 10
- personal objectivity of its arbitrators and the right of each 11
- party to present its case, to be in attendance during any presentation made by the other party and to rebut or 12
- 13 refute such presentation.
- 14 (c) The attorney general shall propose a legislative
- 15 rule or rules for promulgation in accordance with the
- 16 provisions of chapter twenty-nine-a of this code to
- 17 establish the arbitration mechanism provided for in this
- 18 section.

§46A-6E-7. Limitations; waiver of rights; action for damages; punitive damages.

- 1 (a) This section does not limit rights or remedies
- 2 available to a consumer under any other law.
- (b) Any waiver by a consumer of rights under this 4 article is void.

(c) In addition to pursuing any other remedy, a consumer may bring an action to recover for any damages caused by a violation of this section. The court shall award a consumer who prevails in such an action twice the amount of any pecuniary loss, together with costs, disbursements and reasonable attorney fees, and any equitable relief that the court determines appropriate. 10 11

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Enr. Com. Sub. for H. B. 4429] 8

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.
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Charman Senate Committee
Muke Fantana_
Chairman House Committee
Originating in the House.
Takes effect ninety days from passage.
Clerk of the Senate
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President of the Senate
Speaker of the House of Delegates
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