WEST VIRGINIA LEGISLATURE

2023 REGULAR SESSION

ENROLLED

Committee Substitute for

Senate Bill 258

BY SENATORS TRUMP AND DEEDS

[Passed March 10, 2023; in effect 90 days from passage (June 8, 2023)]
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for

Senate Bill 258

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[Passed March 10, 2023; in effect 90 days from passage (June 8, 2023)]
AN ACT to amend and reenact §468-2-1 of the Code of West Virginia, 1931, as amended; and
to amend and reenact §468-3-8 of said code, all relating to the elimination of the maximum
fair market value ceiling on consumer goods subject to the regulation of rent-to-own
agreements provided for in this article; and permitting a dealer to require a security deposit
for those items.

Be it enacted by the Legislature of West Virginia:

ARTICLE 2. FORMATION AND CONSTRUCTION OF AGREEMENTS FOR THE
RENTAL OF CONSUMER GOODS.

§468-2-1 Statute of Frauds.

(a) A rental agreement is not enforceable by a dealer by way of action or defense unless
there is a writing, signed by both the dealer or his or her agent or employee and the consumer,
sufficient to indicate that a rent-to-own agreement has been made between the parties,
reasonably identifying and describing the consumer goods to be rented. Any purported rent-to-
own agreement entered into without a written agreement may be voided by the consumer, who
may return the consumer goods and be refunded all amounts previously paid to the dealer under
the purported rental agreement.

(b) A rental agreement is not enforceable by a dealer against a consumer unless the
written agreement contains all disclosures required by the provisions of this chapter, and unless
a copy of the written agreement is delivered to the consumer contemporaneously with the
execution of the written agreement. Any written agreement executed by a consumer which does
not comply with the requirements of this subsection may be voided by the consumer.

ARTICLE 3. DEFAULT.

§468-3-8. Prohibitions for rent-to-own transactions.

No dealer may:
(1) Require any initial payment in any transaction except the payment for the first rental period, deposit fee, taxes, insurance or delivery fees and other disclosed fees or fees authorized by this chapter;

(2) Charge any fee at the time ownership of the consumer goods passes to the consumer, other than an applicable fee, if any, which actually is or will be paid to public officials for perfecting title or ownership in the consumer;

(3) Raise the amount of any payment or charge after the execution of the written agreement without both parties voluntarily entering into a second written agreement;

(4) Take any action to collect a payment which is prohibited by this chapter;

(5) Accept any cosigner other than a person who is in the household of the consumer and who is expected to use the consumer goods;

(6) Take any security interest in any property owned by the consumer;

(7) Require a damage waiver, insurance or form of insurance, insuring the consumer goods against loss or damage, unless the dealer requires such insurance for all goods of comparable type and value in every rent-to-own agreement;

(8) Require damage waiver from a particular insurer;

(9) Seek to collect any charge not authorized by this chapter and disclosed in a written agreement; or

(10) Have an initial period which is more than one week longer than any other rental period.
The Clerk of the Senate and the Clerk of the House of Delegates hereby certify that the foregoing bill is correctly enrolled.

\[Signature\]
Clerk of the Senate

\[Signature\]
Clerk of the House of Delegates

Originated in the Senate.

In effect 90 days from passage.

\[Signature\]
President of the Senate

\[Signature\]
Speaker of the House of Delegates

The within is \ldots approved \ldots this the 23rd \ldots Day of March, 2023.

\[Signature\]
Governor