



SENATE BILL 413: Clarify Motor Vehicle Dealer Laws.

2017-2018 General Assembly

Committee:	House Transportation	Date:	June 20, 2017
Introduced by:	Sen. B. Jackson	Prepared by:	Wendy Ray Staff Attorney
Analysis of:	PCS to Second Edition S413-CSSU-30		

OVERVIEW: *The Proposed Committee Substitute for Senate Bill 413 makes changes to North Carolina's Motor Vehicle Dealers and Manufacturers Licensing Law.*

BILL ANALYSIS: The PCS for Senate Bill 413 makes the following changes to motor vehicle dealer and manufacturer licensing laws:

Section 1 amends an exemption from continuing education requirements applicable to used motor vehicle dealers for individuals also licensed as new motor vehicle dealers. They are currently exempt if they operate an established showroom within 20 miles of the showroom for which a used motor vehicle dealer license is sought. This section extends the distance from 20 miles to 30 miles.

Section 2 extends an existing grandfather provision for certain manufacturer incentive programs from 2018 to 2022.

Sections 3 and 4 amend the law with regard to warranty obligations for living facilities of recreational vehicles. These provisions establish requirements for compensation of franchised recreational vehicle dealers and other obligations of warrantors and dealers for warranty or recall work related to the living facilities of recreational vehicles.

Section 5 prohibits a dealer from charging shop fees and other service-related fees unless the dealer informs customers of the fees by posting a conspicuous notice of the fees in the service area of the dealership **and** disclosing the total amount of the fees on the customer's repair order or invoice.

Section 6 is a severability clause that provides that if any part of the act is found to be invalid, the remaining provisions are still in effect.

EFFECTIVE DATE: Section 6 of the act, pertaining to shop fees, becomes effective January 1, 2018, and applies to fees charged on or after that date. The remainder of the act is effective when it becomes law.

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