

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

**SESSION LAW 2005-436
HOUSE BILL 1295**

AN ACT TO CLARIFY THE MAXIMUM WEIGHT OF A MOTOR VEHICLE THAT IS SUBJECT TO THE NEW MOTOR VEHICLES WARRANTIES ACT AND TO PROMOTE THE EXPEDITIOUS SETTLEMENT OF CLAIMS WHEN THE CONSUMER REQUESTS THE MANUFACTURER TO REPURCHASE THE MOTOR VEHICLE.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-351.1(3) reads as rewritten:

"(3) 'Motor vehicle' includes a motor vehicle as defined in G.S. 20-4.01 ~~which that~~ is sold or leased in this State, but does not include 'house trailer' as defined in G.S. 20-4.01 or any motor vehicle ~~with a gross vehicle weight of that weighs more than 10,000 pounds or more pounds.~~"

SECTION 2. G.S. 20-351.3(c) reads as rewritten:

"(c) Refunds shall be made to the consumer, ~~lessor-lessor~~, and any lienholders as their interests may appear. The refund to the consumer shall be reduced by a reasonable allowance for the consumer's use of the vehicle. A reasonable allowance for use ~~is that amount directly attributable to use by the consumer prior to his first report of the nonconformity to the manufacturer, its agent, or its authorized dealer, and during any subsequent period when the vehicle is not out of service because of repair.~~ 'Reasonable allowance' is presumed to be the cash price or the lease price, as the case may be, of the vehicle multiplied by a fraction having as its denominator 100,000 miles and its numerator the number of miles attributed to the consumer is calculated from the number of miles used by the consumer up to the date of the third attempt to repair the same nonconformity which is the subject of the claim, or the twentieth cumulative business day when the vehicle is out of service by reason of repair of one or more nonconformities, whichever occurs first. The number of miles used by the consumer is multiplied by the purchase price of the vehicle or the lessor's actual lease price, and divided by 120,000."

SECTION 3. This act becomes effective October 1, 2005, and applies to contracts entered into on or after that date.

In the General Assembly read three times and ratified this the 23rd day of August, 2005.

s/ Beverly E. Perdue
President of the Senate

s/ James B. Black
Speaker of the House of Representatives

s/ Michael F. Easley
Governor

Approved 3:02 p.m. this 27th day of September, 2005