

1.1 **Senator Klein from the Committee on Commerce and Consumer Protection, to**  
1.2 **which was referred**

1.3 **S.F. No. 2046:** A bill for an act relating to consumer protection; modifying and adding  
1.4 provision governing the sale of certain motor vehicles; amending Minnesota Statutes 2022,  
1.5 sections 53C.01, subdivision 12c, by adding a subdivision; 53C.06; 53C.08, subdivisions  
1.6 1, 1a; 325F.662, subdivisions 2, 8a, by adding subdivisions.

1.7 Reports the same back with the recommendation that the bill be amended as follows:

1.8 Delete everything after the enacting clause and insert:

1.9 "Section 1. Minnesota Statutes 2022, section 53C.01, is amended by adding a subdivision  
1.10 to read:

1.11 Subd. 4a. **Global positioning system starter interrupt device.** "Global positioning  
1.12 system starter interrupt device" or "GPS starter interrupt device" means a device installed  
1.13 on a motor vehicle by a motor vehicle dealer that enables an individual who is not in  
1.14 possession of the motor vehicle to remotely disable the motor vehicle's ignition. GPS starter  
1.15 interrupt device includes a device commonly referred to as a fuel or ignition kill switch.

1.16 Sec. 2. Minnesota Statutes 2022, section 53C.01, subdivision 12c, is amended to read:

1.17 Subd. 12c. **Theft deterrent device.** "Theft deterrent device" means the following devices:

1.18 (1) a vehicle alarm system;

1.19 (2) a window etch product;

1.20 (3) a body part marking product;

1.21 (4) a steering lock; or

1.22 (5) a pedal or ignition lock; ~~or~~

1.23 ~~(6) a fuel or ignition kill switch.~~

1.24 Sec. 3. Minnesota Statutes 2022, section 53C.08, subdivision 1a, is amended to read:

1.25 Subd. 1a. **Disclosures required.** Prior to the execution of a retail installment contract,  
1.26 the seller shall provide to a buyer, and obtain the buyer's signature on, a written disclosure  
1.27 that sets forth the following information:

1.28 (1) a description and the total price of all items sold in the following categories if the  
1.29 contract includes a charge for the item:

1.30 (i) a service contract;

- 2.1 (ii) an insurance product;
- 2.2 (iii) a debt cancellation agreement;
- 2.3 (iv) a theft deterrent device; or
- 2.4 (v) a surface protection product;
- 2.5 (2) if a GPS starter interrupt device is installed on the motor vehicle, regardless of
- 2.6 whether the contract includes a charge for the GPS starter interrupt device;
- 2.7 (3) the amount that would be calculated under the contract as the regular installment
- 2.8 payment if charges for the items referenced under clause (1) are not included in the contract;
- 2.9 ~~(3)~~(4) the amount that would be calculated under the contract as the regular installment
- 2.10 payment if charges for the items referenced under clause (1) are included in the contract;
- 2.11 and
- 2.12 ~~(4)~~(5) the disclosures required under this subdivision must be in at least ten-point type
- 2.13 and must be contained in a single document that is separate from the retail installment
- 2.14 contract and any other vehicle purchase documents.

2.15 Sec. 4. Minnesota Statutes 2022, section 325F.662, subdivision 2, is amended to read:

2.16 Subd. 2. **Written warranty required.** (a) Every used motor vehicle sold by a dealer is

2.17 covered by an express warranty which the dealer shall provide to the consumer in writing.

2.18 At a minimum, the express warranty applies for the following terms:

2.19 (1) if the used motor vehicle has less than 36,000 miles, the warranty must remain in

2.20 effect for at least 60 days or 2,500 miles, whichever comes first;

2.21 (2) if the used motor vehicle has 36,000 miles or more, but less than 75,000 miles, the

2.22 warranty must remain in effect for at least 30 days or 1,000 miles, whichever comes first;

2.23 and

2.24 (3) unless the vehicle is sold by a new motor vehicle dealer, as defined in section 168.27,

2.25 subdivision 2, if the used motor vehicle has 75,000 miles or more, the warranty must remain

2.26 in effect for at least 15 days or 500 miles, whichever comes first.

2.27 (b) The express warranty must require the dealer, in the event of a malfunction, defect,

2.28 or failure in a covered part, to repair or replace the covered part, or at the dealer's election,

2.29 to accept return of the used motor vehicle from the consumer and provide a refund to the

2.30 consumer.

3.1 (c) For used motor vehicles with less than 36,000 miles, the dealer's express warranty  
3.2 shall cover, at minimum, the following parts:

3.3 (1) with respect to the engine, all lubricated parts, intake manifolds, engine block, cylinder  
3.4 head, rotary engine housings, and ring gear;

3.5 (2) with respect to the transmission, the automatic transmission case, internal parts, and  
3.6 the torque converter; or, the manual transmission case, and the internal parts;

3.7 (3) with respect to the drive axle, the axle housings and internal parts, axle shafts, drive  
3.8 shafts and output shafts, and universal joints; but excluding the secondary drive axle on  
3.9 vehicles, other than passenger vans, mounted on a truck chassis;

3.10 (4) with respect to the brakes, the master cylinder, vacuum assist booster, wheel cylinders,  
3.11 hydraulic lines and fittings, and disc brakes calipers;

3.12 (5) with respect to the steering, the steering gear housing and all internal parts, power  
3.13 steering pump, valve body, piston, and rack;

3.14 (6) the water pump;

3.15 (7) the externally mounted mechanical fuel pump;

3.16 (8) the radiator;

3.17 (9) the alternator, generator, and starter.

3.18 (d) For used motor vehicles with 36,000 miles or more, ~~but less than 75,000 miles~~, the  
3.19 dealer's express warranty shall cover, at minimum, the following parts:

3.20 (1) with respect to the engine, all lubricated parts, intake manifolds, engine block, cylinder  
3.21 head, rotary engine housings, and ring gear;

3.22 (2) with respect to the transmission, the automatic transmission case, internal parts, and  
3.23 the torque converter; or, the manual transmission case, and internal parts;

3.24 (3) with respect to the drive axle, the axle housings and internal parts, axle shafts, drive  
3.25 shafts and output shafts, and universal joints; but excluding the secondary drive axle on  
3.26 vehicles, other than passenger vans, mounted on a truck chassis;

3.27 (4) with respect to the brakes, the master cylinder, vacuum assist booster, wheel cylinders,  
3.28 hydraulic lines and fittings, and disc brake calipers;

3.29 (5) with respect to the steering, the steering gear housing and all internal parts, power  
3.30 steering pump, valve body, and piston;

3.31 (6) the water pump;

4.1 (7) the externally mounted mechanical fuel pump.

4.2 (e)(1) A dealer's obligations under the express warranty remain in effect notwithstanding  
4.3 the fact that the warranty period has expired, if the consumer promptly notified the dealer  
4.4 of the malfunction, defect, or failure in the covered part within the specified warranty period  
4.5 and, within a reasonable time after notification, brings the vehicle or arranges with the dealer  
4.6 to have the vehicle brought to the dealer for inspection and repair.

4.7 (2) If a dealer does not have a repair facility, the dealer shall designate where the vehicle  
4.8 must be taken for inspection and repair.

4.9 (3) In the event the malfunction, defect, or failure in the covered part occurs at a location  
4.10 which makes it impossible or unreasonable to return the vehicle to the selling dealer, the  
4.11 consumer may have the repairs completed elsewhere with the consent of the selling dealer,  
4.12 which consent may not be unreasonably withheld.

4.13 (4) Notwithstanding the provisions of this paragraph, a consumer may have nonwarranty  
4.14 maintenance and nonwarranty repairs performed other than by the selling dealer and without  
4.15 the selling dealer's consent.

4.16 (f) Nothing in this section diminishes the obligations of a manufacturer under an express  
4.17 warranty issued by the manufacturer. The express warranties created by this section do not  
4.18 require a dealer to repair or replace a covered part if the repair or replacement is covered  
4.19 by a manufacturer's new car warranty, or the manufacturer otherwise agrees to repair or  
4.20 replace the part.

4.21 (g) The express warranties created by this section do not cover defects or repair problems  
4.22 which result from collision, abuse, negligence, or lack of adequate maintenance following  
4.23 sale to the consumer.

4.24 (h) The terms of the express warranty, including the duration of the warranty and the  
4.25 parts covered, must be fully, accurately, and conspicuously disclosed by the dealer on the  
4.26 front of the Buyers Guide.

4.27 Sec. 5. Minnesota Statutes 2022, section 325F.662, subdivision 3, is amended to read:

4.28 Subd. 3. **Exclusions.** Notwithstanding the provisions of subdivision 2, a dealer is not  
4.29 required to provide an express warranty for a used motor vehicle:

4.30 (1) except for a used motor vehicle described in subdivision 2, paragraph (a), clause (3),  
4.31 sold for a total cash sale price of less than \$3,000, including the trade-in value of any vehicle

5.1 traded in by the consumer, but excluding tax, license fees, registration fees, and finance  
5.2 charges;

5.3 (2) with an engine designed to use diesel fuel;

5.4 (3) with a gross weight, as defined in section 168.002, subdivision 13, in excess of 9,000  
5.5 pounds;

5.6 (4) that has been custom-built or modified for show or for racing;

5.7 (5) except for a used motor vehicle described in subdivision 2, paragraph (a), clause (3),  
5.8 that is eight years of age or older, as calculated from the first day in January of the designated  
5.9 model year of the vehicle;

5.10 (6) that has been produced by a manufacturer which has never manufactured more than  
5.11 10,000 motor vehicles in any one year;

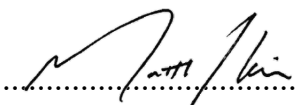
5.12 ~~(7) that has 75,000 miles or more at time of sale;~~

5.13 ~~(8)~~ (7) that has not been manufactured in compliance with applicable federal emission  
5.14 standards in force at the time of manufacture as provided by the Clean Air Act, United  
5.15 States Code, title 42, sections 7401 through 7642, and regulations adopted pursuant thereto,  
5.16 and safety standards as provided by the National Traffic and Motor Safety Act, United  
5.17 States Code, title 15, sections 1381 through 1431, and regulations adopted pursuant thereto;  
5.18 or

5.19 ~~(9)~~ (8) that has been issued a certificate of title that bears a "salvage" brand or stamp  
5.20 under section 168A.151."

5.21 Amend the title numbers accordingly

5.22 And when so amended the bill do pass. Amendments adopted. Report adopted.

5.23   
5.24 .....  
(Committee Chair)

5.25 March 17, 2023.....  
5.26 (Date of Committee recommendation)