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**SENATE COMMITTEE AMENDMENTS**

2016 Regular Session

Amendments proposed by Senate Committee on Commerce, Consumer Protection and International Affairs to Reengrossed House Bill No. 340 by Representative Stokes

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1 AMENDMENT NO. 1

2 On page 1, line 3, after "vehicles;" delete the remainder of the line and delete lines 4 and 5  
3 and insert

4 "to provide certain requirements for unsolicited offers; to provide certain definitions,  
5 terms, conditions, procedures, exceptions, and effects; to classify a violation as a  
6 deceptive and unfair trade practice; and to provide for related matters."

7 AMENDMENT NO. 2

8 On page 1, line 8, after "practice;" delete the remainder of the line and delete line 9 and  
9 insert

10 "unsolicited offer to sell extended service agreement for a motor vehicle;  
11 requirements; exceptions; penalties"

12 AMENDMENT NO. 3

13 On page 1, delete lines 10 through 19 and insert

14 "A. The provisions of this Section shall apply to an unsolicited offer, made  
15 by mail or common carrier, to sell to another an extended service agreement relative  
16 to a motor vehicle.

17 "B. If the unsolicited offer is in writing, it shall state at the top of each page  
18 "THIS IS AN ADVERTISEMENT TO PURCHASE AN EXTENDED SERVICE  
19 AGREEMENT ON A MOTOR VEHICLE. IT IS NOT AN OFFICIAL  
20 DOCUMENT." The statement shall be in conspicuous and legible type that is not  
21 smaller than fourteen-point font and is in contrast by typography, layout, or color  
22 with any other printing on the writing.

23 "C. If the unsolicited offer is oral, it shall begin and end with the statement:  
24 "THIS IS AN ADVERTISEMENT TO PURCHASE AN EXTENDED SERVICE  
25 AGREEMENT ON A MOTOR VEHICLE. IT IS NOT AN OFFICIAL  
26 NOTIFICATION OR DEMAND FOR ACTION."

27 "D. A violation of the provisions of this Section shall constitute a deceptive  
28 and unfair trade practice and subject the violator to any and all actions and penalties  
29 authorized in this Chapter. Each offer in violation of this Section shall be considered  
30 a separate offense.

31 "E. For the purposes of this Section, "extended service agreement" shall  
32 include any vehicle mechanical breakdown insurance policy, vehicle service contract  
33 sold by an independent payment provider or their agent, or vehicle component  
34 coverage contract. "Unsolicited offer" shall not include an offer made subsequent to  
35 a prior personal contact that included a meaningful exchange between the offeror and  
36 offeree."

37 AMENDMENT NO. 4

38 On page 2, line 1, change "C" to "F"