

2016 Regular Session

HOUSE BILL NO. 340

BY REPRESENTATIVE STOKES

CONSUMERS/PROTECTION: Prohibits certain sales or offers for sale of warranties or extended service agreements for motor vehicles

1 AN ACT

2 To enact R.S. 51:1422, relative to the regulation of the sale or the solicitation for sale of a
3 warranty or extended service agreement for motor vehicles; to prohibit certain sales
4 or offers for sale of a warranty or extended service agreement; to classify each
5 violation as a deceptive and unfair trade practice; to provide for exceptions; and to
6 provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 51:1422 is hereby enacted to read as follows:

9 §1422. Unfair or deceptive trade practice; prohibition of third party motor vehicle
10 warranties and extended service agreements; violations and penalties;
11 exceptions

12 A. It shall be unlawful for any person to sell or solicit for sale a warranty or
13 extended service agreement, either by mail or by telephone, relative to a motor
14 vehicle as defined in R.S. 32:1252.

15 B.(1) Any violation of this Section shall be a deceptive and unfair trade
16 practice and shall subject the violator to any and all actions and penalties provided
17 for in this Chapter.

18 (2) For the purpose of this Section, a violation shall occur each time a
19 warranty or extended service agreement relative to a motor vehicle is sold or
20 solicited for sale either by mail or by telephone.

1 C. The provisions of this Section shall not apply to any manufacturer or
2 dealer of motor vehicles as defined in R.S. 32:1252.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 340 Original

2016 Regular Session

Stokes

Abstract: Prohibits the sale or offer for sale of warranties or extended service agreements for motor vehicles, either by mail or by telephone, by any person other than a manufacturer or dealer of motor vehicles.

Proposed law declares that it shall be unlawful for any person to sell or solicit for sale a warranty or extended service agreement, either by mail or by telephone, relative to a motor vehicle as defined in present law (R.S. 32:1252).

Proposed law establishes that any violation of proposed law shall be a deceptive and unfair trade practice and shall subject the violator to any and all actions and penalties provided for in present law (Chapter 13 of Title 51). Further, proposed law establishes that a violation occurs each time a warranty or extended service agreement relative to a motor vehicle is sold or solicited for sale either by mail or by telephone.

Proposed law provides that the provisions of proposed law shall not apply to any manufacturer or dealer of motor vehicles as defined in present law (R.S. 32:1252).

(Adds R.S. 51:1422)