

2020 -- H 7010

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2020

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A N A C T

RELATING TO COMMERCIAL LAW - GENERAL REGULATORY PROVISIONS

Introduced By: Representative Robert B. Jacquard

Date Introduced: January 08, 2020

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1           SECTION 1. Section 6-57-1 of the General Laws in Chapter 6-57 entitled "Consumer  
2 Service Contracts [Effective January 1, 2020]" is hereby amended to read as follows:

3           **6-57-1. Definitions. [Effective January 1, 2020.]**

4           For purposes of this section, the following terms shall have the following meanings:

5           (1) "Consumer product" means any tangible personal property that is distributed in  
6 commerce and is normally used for personal, family, or household purposes, including a motor  
7 vehicle, and any tangible personal property intended to be attached to or installed in any real  
8 property without regard to whether it is so attached or installed.

9           (2) "Incidental costs" means expenses specified in a vehicle theft protection program  
10 warranty that are incurred by the warranty holder due to the failure of a vehicle theft protection  
11 program to perform as provided in the contract. Incidental costs may be reimbursed in either a  
12 fixed amount specified in the vehicle theft protection program warranty or by use of a formula  
13 itemizing specific incidental costs incurred by the warranty holder.

14           (3) "Maintenance agreement" means a contract of limited duration that provides for  
15 scheduled maintenance only.

16           (4) "Road hazard" means a hazard that is encountered while driving a motor vehicle and  
17 that may include, but not be limited to, potholes, rocks, wood debris, metal parts, glass, plastic,  
18 curbs, or composite scraps.

19           (5) "Service contract" means a contract or agreement for a separately stated consideration

1 for any duration to perform the repair, replacement, or maintenance of a consumer product or  
2 indemnification for the same, for the operational or structural failure of a consumer product due  
3 to a defect in materials, workmanship, accidental damage from handling, or normal wear and tear,  
4 with or without additional provisions for incidental payment of indemnity under limited  
5 circumstances, including, but not limited to, towing, rental, and emergency road service and road  
6 hazard protection. Service contracts may provide for the repair, replacement, or maintenance of a  
7 consumer product for damage resulting from power surges or interruption. "Service contract" also  
8 includes a contract or agreement sold for a separately stated consideration for a specific duration  
9 that provides for any of the following:

10 (i) The repair or replacement or indemnification for the repair or replacement of a motor  
11 vehicle for the operational or structural failure of one or more parts or systems of the motor  
12 vehicle brought about by the failure of an additive product to perform as represented;

13 (ii) The repair or replacement of tires ~~and/or~~ and wheels on a motor vehicle damaged as a  
14 result of coming into contact with road hazards;

15 (iii) The removal of dents, dings, or creases on a motor vehicle that can be repaired using  
16 the process of paintless dent removal without affecting the existing paint finish and without  
17 replacing vehicle body panels, sanding, bonding, or painting;

18 (iv) The repair of chips or cracks in or the replacement of motor vehicle windshields as a  
19 result of damage caused by road hazards;

20 (v) The replacement of a motor vehicle key or key fob in the event that the key or key fob  
21 becomes inoperable or is lost or stolen; or

22 (vi) Other services or products that may be approved by the director of the department of  
23 business regulation.

24 (6) "Vehicle theft protection product" means a device or system that:

25 (i) Is installed on or applied to a motor vehicle;

26 (ii) Is designed to prevent loss or damage to a motor vehicle from theft; and

27 (iii) Includes a vehicle theft protection program warranty. "Vehicle theft protection  
28 product" does not include fuel additives, oil additives, or other chemical products applied to the  
29 engine, transmission, or fuel system, or interior or exterior surfaces of a motor vehicle.

30 (7) "Vehicle theft protection product warranty" means a written agreement by a warrantor  
31 that provides if the vehicle theft protection product fails to prevent loss or damage to a motor  
32 vehicle from theft, that the warrantor will pay to or on behalf of the warranty holder specified  
33 incidental costs as a result of the failure of the vehicle theft protection product to perform  
34 pursuant to the terms of the vehicle theft protection product warranty.

1 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

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- 1           This act would make a minor technical correction to what is included in a service contract
- 2 for the repair and replacement of tires.
- 3           This act would take effect upon passage.

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