

House Bill 1423

By: Representatives Teilhet of the 34th, Post 2, Stoner of the 34th, Post 1, Moraitakis of the 42nd, Post 4, Orrock of the 51st, and Thomas Morgan of the 33rd, Post 2

A BILL TO BE ENTITLED
AN ACT

1 To amend Part 3 of Article 2 of Title 11 of the Official Code of Georgia Annotated, relating
2 to general obligations and construction of contracts under the Uniform Commercial Code –
3 Sales, so as make unenforceable certain used motor vehicle dealers’ exclusions or
4 modifications of implied warranties of merchantability and fitness for a particular purpose
5 and exclusions or modifications of consumers’ remedies for breach of those warranties; to
6 provide exceptions; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 style="text-align:center">**SECTION 1.**

9 Part 3 of Article 2 of Title 11 of the Official Code of Georgia Annotated, relating to general
10 obligations and construction of contracts under the Uniform Commercial Code – Sales, is
11 amended by inserting a new Code section to read as follows:

12 "11-2-316.1.

13 (a) As used in this Code section, the term:

14 (1) 'Administrator' has the meaning provided by Code Section 10-1-392.

15 (2) 'Used motor vehicle' has the meaning provided by Code Section 43-47-2.

16 (3) 'Used motor vehicle dealer' has the meaning provided by Code Section 43-47-2.

17 (b) The provisions of Code Section 11-2-316 notwithstanding, any oral or written language
18 used by a used motor vehicle dealer that with respect to a used motor vehicle attempts to
19 exclude or modify any implied warranties of merchantability and fitness for a particular
20 purpose or to exclude or modify the consumers’ remedies for breach of those warranties
21 shall be unenforceable.

22 (c)(1) The provisions of this Code section shall not apply to a used motor vehicle:

23 (A) Required to be titled under Chapter 3 of Title 40;

24 (B) That is over six model years old and that has been driven more than 75,000 miles;

25 and

1 (C) If, at the time of the sale of the used motor vehicle, the used motor vehicle dealer
2 gives the purchaser notice of the inapplicability of this Code section on a form
3 prescribed by the administrator and the exclusion or modification satisfies the
4 requirements of paragraph (2) of this subsection.

5 (2)(A) An exclusion or modification of an implied warranty of merchantability or any
6 part of a warranty under this subsection shall be in writing, mention merchantability,
7 and be conspicuous.

8 (B) An exclusion or modification of the implied warranty of fitness under this
9 subsection shall be in writing and conspicuous.

10 (C) Any exclusion or modification of either warranty under this subsection shall be
11 separately acknowledged by the signature of the buyer."

12 **SECTION 2.**

13 All laws and parts of laws in conflict with this Act are repealed.