



Reprinted
February 12, 2013

SENATE BILL No. 277

DIGEST OF SB 277 (Updated February 11, 2013 2:56 pm - DI 106)

Citations Affected: IC 24-5.

Synopsis: Methamphetamine vehicle information disclosure. Requires a dealer or seller who knows or reasonably should know that methamphetamine has been manufactured in a motor vehicle within the previous two years to disclose this fact, in writing, to a buyer or prospective buyer of the motor vehicle before the sale. Permits a dealer or seller to include a decontamination report with the written disclosure. Provides that failure to disclose gives rise to a cause of action in which the buyer may seek: (1) remediation to a certain standard; or (2) reimbursement for remediation costs. Provides that, in addition, a court may award a buyer or prospective buyer liquidated damages of not more than \$10,000.

Effective: July 1, 2013.

Zakas, Arnold J

January 8, 2013, read first time and referred to Committee on Civil Law.
January 29, 2013, reported favorably — Do Pass.
February 11, 2013, read second time, amended, ordered engrossed.

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SB 277—LS 6622/DI 106+



First Regular Session 118th General Assembly (2013)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2012 Regular Session of the General Assembly.

SENATE BILL No. 277

A BILL FOR AN ACT to amend the Indiana Code concerning trade regulation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 24-5-13-1 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 1. This chapter applies
3 to all:
4 (1) motor vehicles that are sold, leased, transferred, or replaced by
5 a dealer or manufacturer in Indiana; **and**
6 (2) **methamphetamine vehicles that are sold, leased,**
7 **transferred, or replaced by a dealer or seller in Indiana.**
8 SECTION 2. IC 24-5-13-3.1 IS ADDED TO THE INDIANA CODE
9 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
10 1, 2013]: **Sec. 3.1. As used in this chapter, "dealer" has the meaning**
11 **set forth in IC 9-13-2-42.**
12 SECTION 3. IC 24-5-13-4.1 IS ADDED TO THE INDIANA CODE
13 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
14 1, 2013]: **Sec. 4.1. As used in this chapter, "methamphetamine**
15 **vehicle" means any motor vehicle subject to registration and**
16 **certificate of title provisions in which methamphetamine has been**
17 **manufactured within the previous two (2) years. For the purposes**

SB 277—LS 6622/DI 106+



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1 of this chapter, a methamphetamine vehicle suffers from a
2 nonconformity.

3 SECTION 4. IC 24-5-13-6.1 IS ADDED TO THE INDIANA CODE
4 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
5 1, 2013]: **Sec. 6.1. As used in this chapter, "seller" means a person
6 who:**

7 (1) sells, leases, exchanges, or transfers; or

8 (2) solicits a sale, lease, exchange, or transfer of;

9 a methamphetamine vehicle to a buyer.

10 SECTION 5. IC 24-5-13-7 IS AMENDED TO READ AS
11 FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 7. This section does
12 not apply to a methamphetamine vehicle.** As used in this chapter,
13 "term of protection" means a period of time that:

14 (1) begins:

15 (A) on the date of original delivery of a motor vehicle to a
16 buyer; or

17 (B) in the case of a replacement vehicle provided by a
18 manufacturer to a buyer under this chapter, on the date of
19 delivery of the replacement vehicle to the buyer; and

20 (2) ends the earlier of:

21 (A) eighteen (18) months after the date identified under
22 subdivision (1); or

23 (B) the time the motor vehicle has been driven eighteen
24 thousand (18,000) miles after the date identified under
25 subdivision (1).

26 SECTION 6. IC 24-5-13-16.1 IS ADDED TO THE INDIANA
27 CODE AS A NEW SECTION TO READ AS FOLLOWS
28 [EFFECTIVE JULY 1, 2013]: **Sec. 16.1. (a) If a dealer or seller
29 knows or reasonably should know that a motor vehicle is a
30 methamphetamine vehicle, the dealer or seller shall disclose, in
31 writing, to the buyer or prospective buyer that the motor vehicle
32 is a methamphetamine vehicle.**

33 (b) The written disclosure required under subsection (a) shall be
34 provided before the dealer or seller sells, leases, exchanges,
35 transfers, or accepts payment from a buyer or prospective buyer.

36 (c) A dealer may include a decontamination report or other
37 relevant document with the written disclosure required under
38 subsection (a).

39 SECTION 7. IC 24-5-13-16.2 IS ADDED TO THE INDIANA
40 CODE AS A NEW SECTION TO READ AS FOLLOWS
41 [EFFECTIVE JULY 1, 2013]: **Sec. 16.2. (a) In addition to any other
42 remedy or penalty provided in this chapter, if a dealer or seller**

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1 fails to make a disclosure required under section 16.1 of this
2 chapter, a buyer or prospective buyer may bring a civil action
3 against the dealer or seller.

4 (b) In an action brought by a buyer or prospective buyer under
5 this section, a court may order a dealer or seller to perform either
6 of the following:

7 (1) Decontaminate or contract for the decontamination of the
8 methamphetamine vehicle in accordance with and to a
9 standard set forth under 318 IAC 1.

10 (2) Reimburse a buyer or prospective buyer who incurred
11 damages or expenses to remediate or decontaminate a
12 methamphetamine vehicle to address the nonconformity.

13 (c) In addition to the remedies described in subsection (b), a
14 court may award liquidated damages to a buyer or prospective
15 buyer in an amount not to exceed ten thousand dollars (\$10,000).

16 SECTION 8. IC 24-5-13-23 IS AMENDED TO READ AS
17 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 23. (a) **This subsection
18 does not apply to an action concerning a violation of section 16.1 of
19 this chapter.** An action brought under this chapter must be
20 commenced within two (2) years following the date the buyer first
21 reports the nonconformity to the manufacturer, its agent, or authorized
22 dealer.

23 (b) **This subsection does not apply to an action concerning a
24 violation of section 16.1 of this chapter.** When the buyer has
25 commenced an informal dispute settlement procedure described in
26 section 19 of this chapter, the two (2) year period specified in
27 subsection (a) is tolled during the time the informal dispute settlement
28 procedure is being conducted.

29 (c) **An action concerning a violation of section 16.1 of this
30 chapter must be commenced within two (2) years following the
31 date of the violation.**

32 SECTION 9. IC 24-5-13-24 IS AMENDED TO READ AS
33 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 24. **This section does
34 not apply to a transaction or solicited transaction relating to a
35 methamphetamine vehicle.** Nothing in this chapter imposes any
36 liability on a dealer or creates a cause of action by a consumer against
37 a dealer, and a manufacturer may not, directly or indirectly, expose any
38 franchised dealer to liability under this chapter.

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COMMITTEE REPORT

Madam President: The Senate Committee on Civil Law, to which was referred Senate Bill No. 277, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to Senate Bill 277 as introduced.)

ZAKAS, Chairperson

Committee Vote: Yeas 6, Nays 2.

 SENATE MOTION

Madam President: I move that Senate Bill 277 be amended to read as follows:

Page 1, line 16, delete "that has been used in the".

Page 1, line 17, delete "manufacturing of" and insert "**in which**".

Page 1, line 17, after "methamphetamine" insert "**has been manufactured within the previous two (2) years**".

Page 2, between lines 35 and 36, begin a new paragraph and insert: "**(c) A dealer may include a decontamination report or other relevant document with the written disclosure required under subsection (a).**".

Page 3, line 5, delete "so that the methamphetamine".

Page 3, delete lines 6 through 18 and insert "**in accordance with and to a standard set forth under 318 IAC 1.**".

(Reference is to SB 277 as printed January 30, 2013.)

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