S T A T E O F N E W Y O R K

1165

2009-2010 Regular Sessions

I N A S S E M B L Y

(PREFILED)

January 7, 2009

Introduced by M. of A. SEMINERIO -- read once and referred to the Committee on Transportation

AN ACT to amend the vehicle and traffic law, in relation to requiring a lienholder to inspect motor vehicles after repair at the motor vehicle repair shop making the repairs

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Subdivision 1 of section 398-d of the vehicle and traffic law, as amended by chapter 161 of the laws of 1996, is amended to read as follows:

1. All work done by a motor vehicle repair shop shall be recorded on an invoice and shall describe all service work done and parts supplied. If any used parts are supplied, the invoice shall clearly state that fact. If any component system installed is composed of new and used parts, such invoice shall clearly state that fact. If any body parts are supplied to a vehicle with a gross vehicle weight not in excess of eighteen thousand pounds, the invoice shall clearly state whether such parts were manufactured as original equipment parts for the vehicle, or were manufactured as non-original replacement parts or are used parts. One copy of the invoice shall be given to the customer and one copy shall be retained by the motor vehicle repair shop. For the purposes of insuring that the repairs described on the work invoice have been performed, every customer and his OR HER representative OR A REPRESENTATIVE OF A LIENHOLDER REGARDING SUCH MOTOR VEHICLE or a representative of an insurance company where such company has paid or is liable to pay a claim for damage to such customer's motor vehicle shall have a right to inspect the repaired motor vehicle. Such right of inspection shall also include the right to inspect all replaced parts and components thereof, except warranty or exchange parts. Provided, however, the exception for warranty or exchange parts from the right of inspection shall not apply to

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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replacement inflatable restraint systems. Any such inspection by an insurer shall be made in a manner consistent with the requirements of sections two thousand six hundred one and three thousand four hundred eleven of the insurance law. ANY SUCH INSPECTION BY A LIENHOLDER OR REPRESENTATIVE OF A LIENHOLDER SHALL BE PERFORMED AT THE MOTOR VEHICLE REPAIR SHOP PERFORMING THE REPAIRS WITHIN THREE BUSINESS DAYS OF RECEIPT BY THE LIENHOLDER OF WRITTEN NOTICE, SENT CERTIFIED MAIL, THAT THE MOTOR VEHICLE REPAIR SHOP HAS COMPLETED THE REPAIRS. FAILURE OF A LIENHOLDER TO INSPECT A MOTOR VEHICLE WITHIN SAID THREE BUSINESS DAY PERIOD SHALL CONSTITUTE A WAIVER OF THE LIENHOLDER'S RIGHT OF INSPECTION, SUCH LIENHOLDER'S APPROVAL OF ALL REPAIRS AND CONSENT BY THE LIENHOLDER TO THE ENDORSEMENT ON ITS BEHALF BY THE REPAIRER OF ANY CHECK OR DRAFT ISSUED BY AN INSURER AS PAYMENT FOR SUCH REPAIRS. The motor vehicle repair shop shall make available to the customer, upon timely written demand, or for such work authorized over the telephone, shall keep until the customer's motor vehicle is retrieved, all replaced parts, components or equipment excepting any parts, components or equipment normally sold on an exchange basis or subject to a warranty.

S 2. This act shall take effect on the ninetieth day after it shall have become a law.