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

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I N A S S E M B L Y

(PREFILED)

January 7, 2009

Introduced by M. of A. PHEFFER, V. LOPEZ, GIANARIS, COOK, GALEF, ORTIZ, POWELL, JAFFEE -- Multi-Sponsored by -- M. of A. CAHILL, COLTON, GABRYSZAK, J. RIVERA, ROBINSON, TOWNS, WEISENBERG -- read once and referred to the Committee on Consumer Affairs and Protection -- reported from committee, advanced to a third reading, amended and ordered reprinted, retaining its place on the order of third reading

AN ACT to amend the personal property law, in relation to requiring a visual inspection of a leased vehicle

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

Section 1. Subdivision 1 of section 343 of the personal property law is amended by adding a new paragraph (c) to read as follows:

(C) (I) UPON TERMINATION OF A RETAIL LEASE AGREEMENT AND UPON PHYSICAL POSSESSION OF THE LEASED VEHICLE BY THE HOLDER OR ITS AGENTS, THE HOLDER OR AN AGENT THEREOF SHALL COMPLETE A VISUAL INSPECTION OF THE VEHICLE'S CONDITION WHILE IN THE LESSEE'S PRESENCE.

THE VISUAL INSPECTION SHALL COVER BUT NOT BE LIMITED TO THE EXTERIOR BODY OF THE VEHICLE, THE INTERIOR OF THE VEHICLE AND THE VEHICLE'S TIRES. THE VISUAL INSPECTION FORM SHALL BE SIGNED BY THE HOLDER OR AN AGENT THEREOF AND A COPY SHALL BE IMMEDIATELY SUPPLIED TO THE LESSEE.

THE VISUAL INSPECTION SHALL NOT IMPAIR THE RIGHTS OF THE HOLDER TO OBTAIN A WRITTEN ITEMIZED APPRAISAL OF EXCESSIVE WEAR AND DAMAGE TO THE VEHICLE PURSUANT TO PARAGRAPH (C) OF SUBDIVISION TWO OF THIS SECTION.

(II) UPON COMMENCEMENT OF THE VISUAL INSPECTION A NOTICE CONSISTING OF THE FOLLOWING STATEMENT WRITTEN OR PRINTED IN AT LEAST TEN-POINT BOLD TYPE ON A SEPARATE DOCUMENT FROM THE VISUAL INSPECTION FORM SHALL BE SUPPLIED TO THE LESSEE:

"THIS VISUAL INSPECTION OF THE VEHICLE'S CONDITION IS INTENDED TO MAKE YOU AWARE OF ANY VISIBLE DAMAGE FOR WHICH A CHARGE FOR EXCESSIVE WEAR AND DAMAGE MAY BE CLAIMED BY THE HOLDER AND TO PROTECT YOU FROM BEING

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

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HELD RESPONSIBLE FOR ANY DAMAGE THAT MAY OCCUR WHILE THE HOLDER OR ITS AGENT IS IN PHYSICAL POSSESSION OF THE VEHICLE. PLEASE NOTE THAT THE HOLDER'S ITEMIZED APPRAISAL, WHICH IS PART OF A SEPARATE PROCESS FROM THIS VISUAL INSPECTION, MAY UNCOVER WEAR AND DAMAGE THAT IS NOT DOCUMENTED ON THE VISUAL INSPECTION FORM FOR WHICH YOU MAY BE RESPONSIBLE PURSUANT TO THE TERMS AND CONDITIONS OF YOUR RETAIL LEASE AGREEMENT."

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